

DCIMC

FY 1997 Business Plan

Monthly Management Review

Agenda

District West	1230 - 1315
District International	1315 - 1400
District East	1400 - 1445
Headquarters	1445 - 1530
(break)	1530 - 1545
AQAC	1545 - 1645
Action Items	1645 - 1650
Commanders Assessment	1650 - 1700

DCMC

Monthly Management Review

DCMDW





Resource Management

Recommended Ratings

DCMC Summary

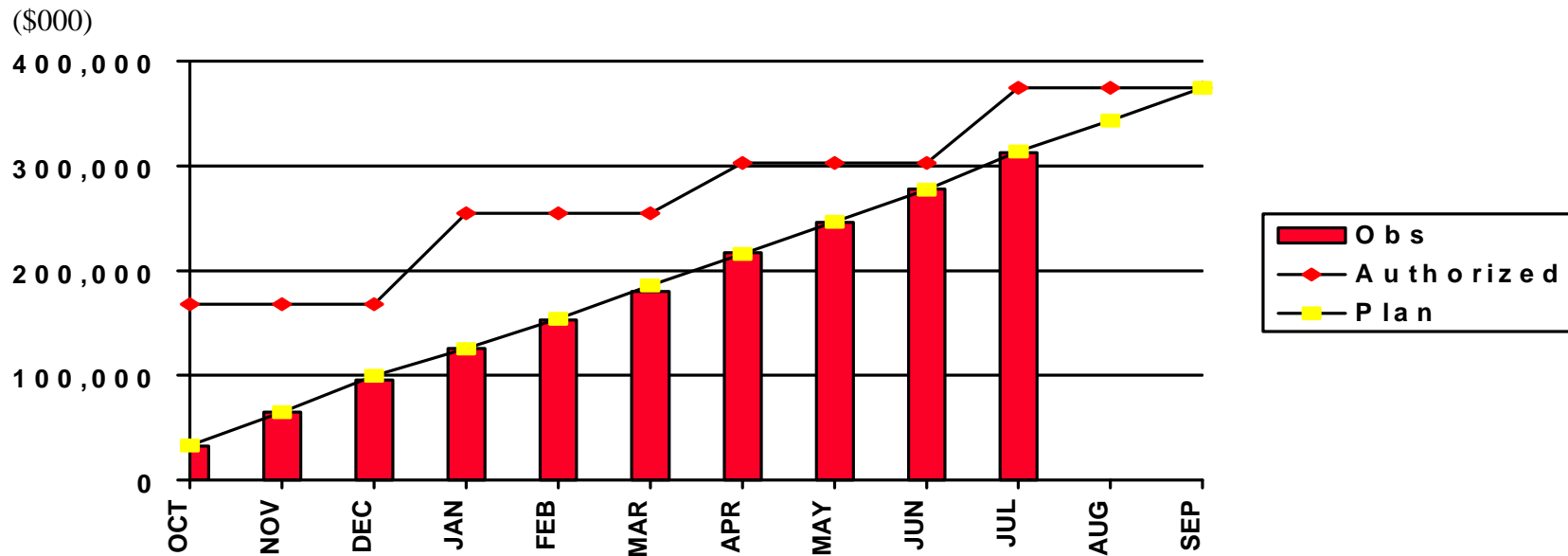
Business Performance Metric	West
• Budget Execution	
• Total	Green
• Direct	Red
• Reimbursable	Green
• Personnel	
• Full Time Equivalent (FTE) Execution	Green

As of: July 31, 1997

FY97 Total Execution

STATUS: Green

FY97 Goal: 100%



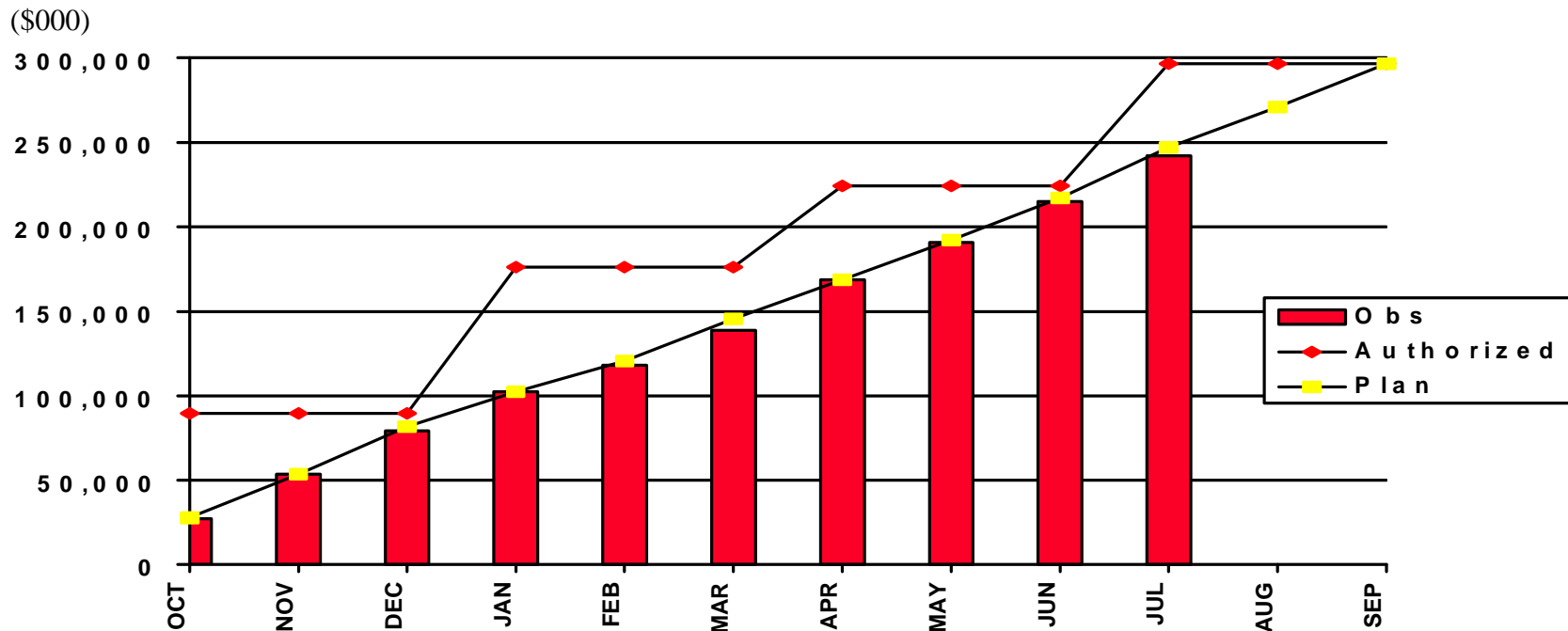
	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP
Authorized	167,881	167,881	167,881	254,616	254,616	254,616	302,571	302,571	302,571	374,997	374,997	374,997
Plan	33,020	64,873	99,517	125,308	154,172	185,755	215,773	246,713	277,670	313,693	343,565	374,997
Obs	32,393	64,962	95,467	125,308	152,851	179,896	217,228	246,240	277,787	312,425		

Obligations/Current Month Plan: 99.6%

FY97 Direct Execution

STATUS: Red

FY97 Goal: 100%



	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP
Authorized	89,599	89,599	89,599	176,334	176,334	176,334	224,289	224,289	224,289	296,715	296,715	296,715
Plan	27,673	53,571	81,649	102,303	120,427	145,519	168,553	192,284	217,033	247,007	270,881	296,715
Obs	27,046	53,577	79,057	102,303	118,142	138,656	168,762	190,861	215,078	242,189		

Obligations/Current Month Plan: 98.0%

FY97 Direct Budget Execution

STATUS: Red

FY97 Goal: 100%

- **Obligs vs Plan through Jul = \$242,189K/\$247,007K = 98.0%**
- **Criteria: Greater than 1% variance from plan = red rating**
- **Variance is due to overearnings in Reimbursements, which is considered a positive (green) condition.**

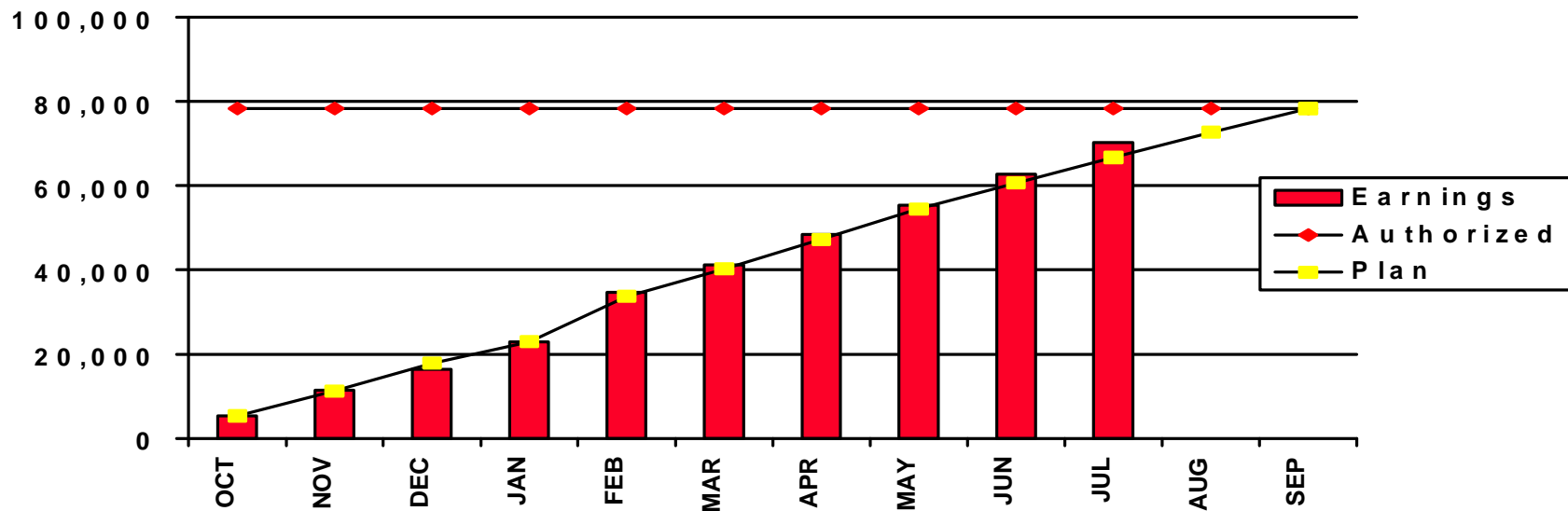
	<u>Plan</u>	<u>Actual</u>	<u>Performance</u>
Total Exec:	\$313,693K	\$312,425K	99.6% (Green)
<i>less</i> Reimb Exec:	<u>\$66,686K</u>	<u>\$70,236K</u>	105.3% (Green)
= Direct Exec:	\$247,007K	\$242,189K	98.0% (Red)

FY97 Reimbursable Execution

STATUS: Green

FY97 Goal: 100%

(\$000)



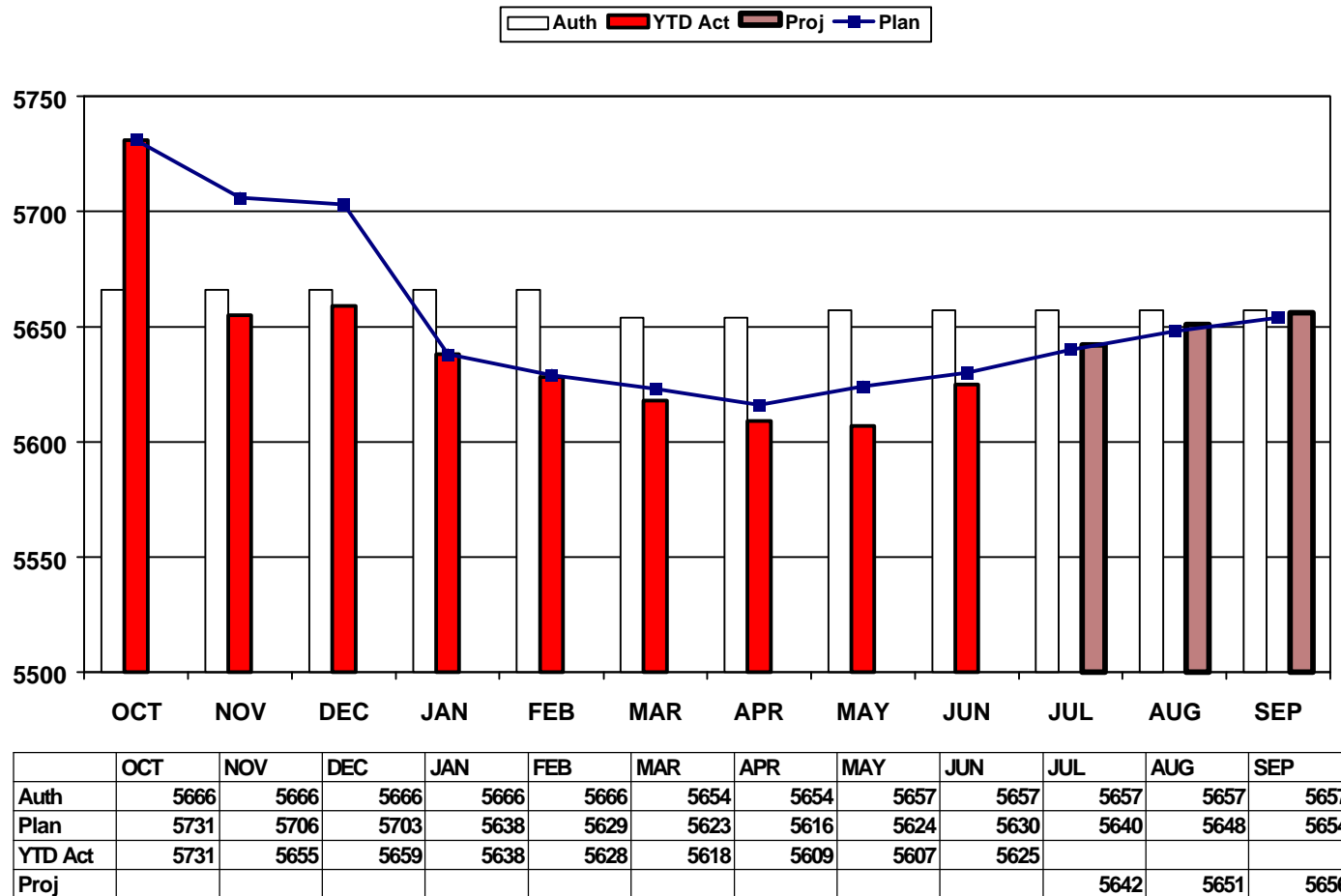
	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP
Authorized	78,282	78,282	78,282	78,282	78,282	78,282	78,282	78,282	78,282	78,282	78,282	78,282
Plan	5,347	11,302	17,868	23,005	33,745	40,236	47,220	54,429	60,637	66,686	72,684	78,282
Earnings	5,347	11,385	16,410	23,005	34,709	41,240	48,466	55,379	62,709	70,236		

Obligations/Current Month Plan: 105.3%

District FTE Status

STATUS: Green

FY97 Goal: Within .5% of Plan



Mission Performance

Performance Metric	West
1. Right Item - Conforming Items (3.7.1.3)	NR
• Design Defects (3.10.1 and 3.10.1.1)	Green
• Packaging Discrepancies (3.4.1)	NR
• Adopted Software Recommendations (3.10.1.6)	Green
2. Right Time - On Time Contractor Delivery (3.7.1)	NR
• Customer Priority List (CPL) Coverage (3.7.2)	Yellow
• Engineering Change Cycle Time (3.10.2.2)	Green
• Schedule Slippage's on Major Programs (3.12.2.1)	NR
• Shipping Document Cycle Time (3.5.2)	NR
3. Right Price - Cost Savings and Avoidances (1.4.1)	NR
• ROA on Property from Plant Clearance (4.3.1)	Green
• Negotiation Cycle Time (2.2.2)	NR
• UCA Definitization (2.2.2.1)	Red
• Forward Pricing Rate Agreement (FPRA) Coverage (2.2.1.1)	Green
• Open Overhead Negotiations (4.4.1)	Red
• Cost Overruns on Major Programs (3.12.1.4)	NR
• \$ Value of Lost/Damaged/Destroyed Government Property (3.2.1)	Yellow
4. Right Advice - Participation in ASPs and RFP Reviews (1.2.3)	Green
• Repeat Requests for Early CAS (1.2.3.1)	Green

Mission Performance (Con't)

Performance Metric	West
• % Contractors on Contractor Alert List (CAL) (2.1.1.2)	NR
• Single Process Implementation (1.2.4)	Green
• Preaward Survey Timeliness (2.1.2)	Green
• Amount of DoD Property (3.2.1.1)	NR
• Excess Property (3.2.1.2)	Green
• Delay Forecast Coverage (3.7.1.1)	NR
• Delay Forecast Timeliness (3.7.2.1)	NR
• Delay Forecast Accuracy (3.7.1.2)	NR
5. Right Reception - Customer Satisfaction (3.11.1.1)	Green
• Service Standards (1.3.1)	Green
• Trailer Cards (3.11.1.2)	Green
6. Right Efficiency - New efficiency metric under development	NR
• Contract Closeout (4.2.2.2)	Green
• Canceling Funds (TBD) (Unreconciled Contracts)	Red
• Termination Actions (4.1.2)	Red
7. Right Talent - Training Hours (1.8.1)	Green
• DAWIA Certification (1.8.1.2)	Green
• Course Completion (1.8.1.1)	Green
• Training Quota Usage (1.8.1.3)	Green

Performance Improvement

1997 Business Plan - Performance Goals	West
• (1.1.1) Continually improve process to help customers craft better contracts and make better contractor selections (EARLY CAS)	NR
• (1.2.1) Increase the percentage of items (source inspected) conforming to product specifications	NR
• (1.2.2) Improve by 5% over the FY 96 baseline, the number of contract line items delivered to the original delivery schedule	NR
• (1.2.3) Increase overall DCMC ROI by 10% over the FY 96 baseline	NR
• (1.3.1) Continually improve all facets of the contract close-out process such that not more than 20 percent of physically completed contracts are overage for closeout	NR
• (2.1.1) Incrementally expand JLC Acquisition Pollution Prevention Initiative to additional contractor sites	NR
• (2.1.2) Establish, maintain, and improve dynamic surveillance process that senses and satisfies customer needs (DELIVERY DELINQUENCIES)	NR
• (2.1.3) Continue to identify/define and implement actions necessary to ensure that DCMC is positioned to remain a key player in the DoD acquisition process in the 21st century	Green
• (2.1.4) Improve the effectiveness and efficiency of all our communication efforts (INTRA-DCMC COMMUNICATIONS)	NA
• (2.1.5) Continually improve/enhance organization & processes that deliver quality products/services (INTERNAL PROCESS STANDARDIZATION)	NA

Performance Improvement (Con't)

1997 Business Plan - Performance Goals	West
• (2.1.6) Support info technology initiatives by deploying 90% of projects selected in the IRM plan on schedule (INFORMATION TECHNOLOGY INITIATIVES)	NR
• (2.1.7) Develop/deploy small quantity of outcome-oriented performance measures which best portray performance of core processes (METRICS)	NR
• (2.1.8) Package DCMC-wide data for the customer in a comprehensive, timely, and user-friendly manner (PACKAGING DCMC DATA)	NR
• (2.2.1) Use the results of Performance Based Assessment to better structure and utilize the workforce	NR
• (2.3.1) Improve mission and support processes by conducting Management Control Reviews (MCRs) and annual USAs; incorporate areas for improvement into planning process	Green
• (2.3.2) Assess organizational performance through the accomplishment of 30 IOAs during FY 97	Green
• (2.3.3) Benchmark the Distributed Computing Process	NA
• (2.3.4) Explore the use of Alternate Oversight approaches and other methods to enhance operational efficiency at various CAO locations	Green
• (2.3.5) Refine assessment processes (REFINE ASSESSMENT PROCESSES)	NA
• (3.1.1) Reduce facilities costs - bring footage ² of office space into compliance w/ DLA standard - move offices from leased space into DoD space	Red
• (3.1.2) Reduce number of high grade positions (14/15/SES) by 4% DCMC-wide	Green

Performance Improvement (Con't)

1997 Business Plan - Performance Goals	West
• (3.1.3) Increase civilian supervisory ratio to 13:1	Green
• (3.1.4) Implement Unit Cost Management (UNIT COST MANAGEMENT)	Green
• (3.2.1) Develop and implement an integrated management system	NR
• (3.3.1) Improve elements of the work environment that enhance employees' well being, satisfaction, and productivity	Green
• (4.1.1) Maintain overall customer satisfaction level greater than 4.0 (1-6 scale) across ACAT PMs/PCOs and Commodity Managers/PCOs	Green
• (4.1.2) Field activities continue to solicit customer satisfaction information via Trailer Cards	Green
• (4.2.1) Implement risk management in the reimbursable budget process and improve forecasting, reporting, and billing procedures and processes	Green
• (5.1.1) Establish, maintain, and improve a strategic workforce development system that addresses current and future skills needed to satisfy customer requirements (WORKFORCE SKILLS)	Green
• (5.2.1) Improve labor management relations within DCMC	Green

Right Item

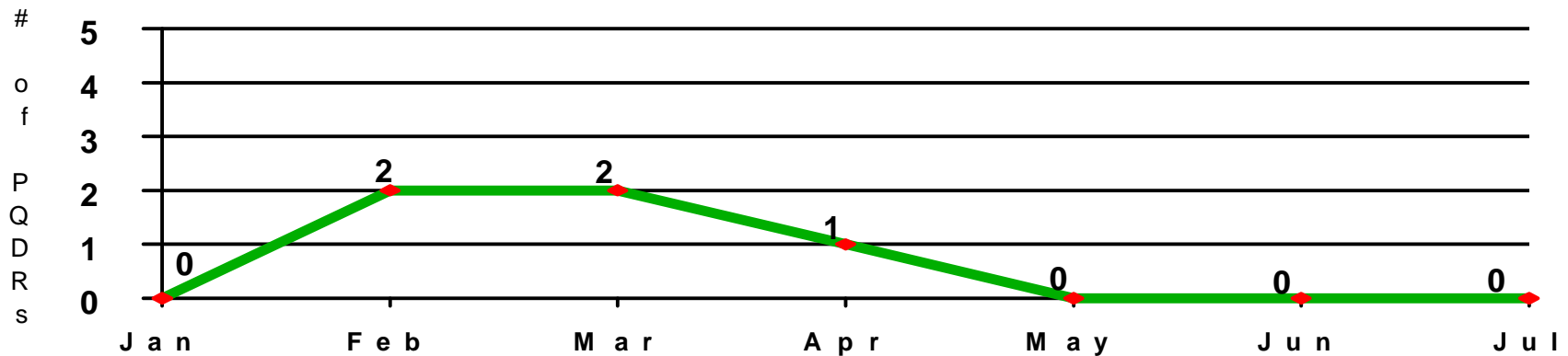
Percent Conforming Items

Number of usable lab tested items/number of items tested

STATUS: N/ R Special Topic

FY 97 GOAL : 5% improvement

L a b T e s t P Q D R s F Y 9 7



- No Lab Test PQDRs received.
- Canvassing CAOs for supplemental metrics in support of Right Item.

Right Price

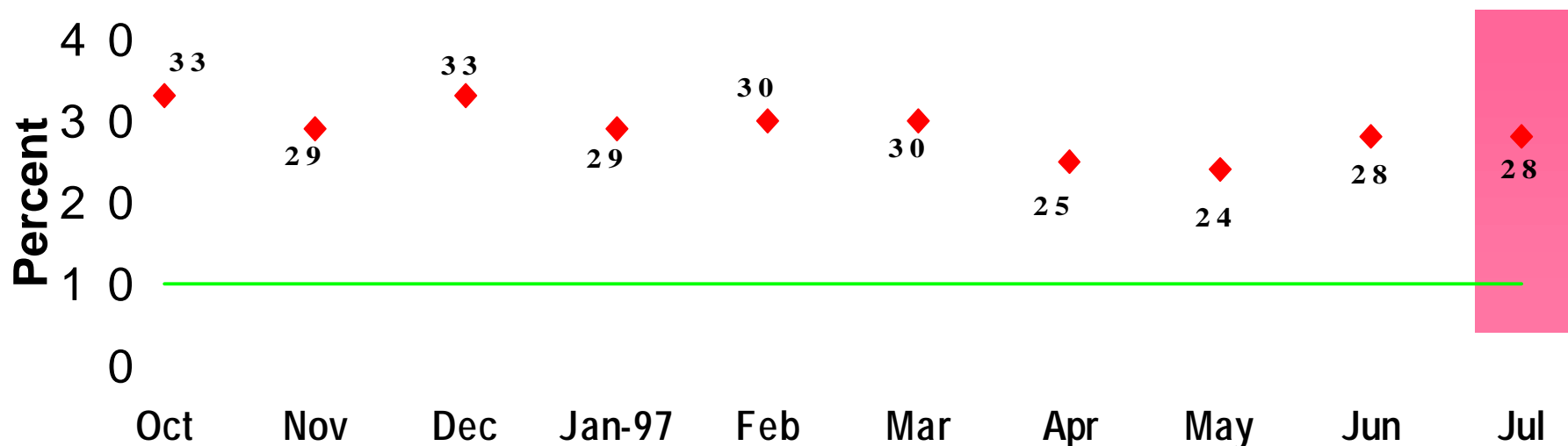
UCA Definitization

UCAs On-Hand > 180 Days / # UCAs On-Hand

STATUS: RED

FY 97 GOAL : 10% Overage

Overage Percent Trend Line



- What we accomplished since the last report
 - Chart corrected for 72 overage not reported in June data.
 - Was 23% and 405 overage, now 28% and 477 overage.
 - July overage UCAs decreased 10 % (from 477 in June to 432 in July)
 - July on-hand UCAs decreased 10 % (from 1728 in June to 1568 in July)

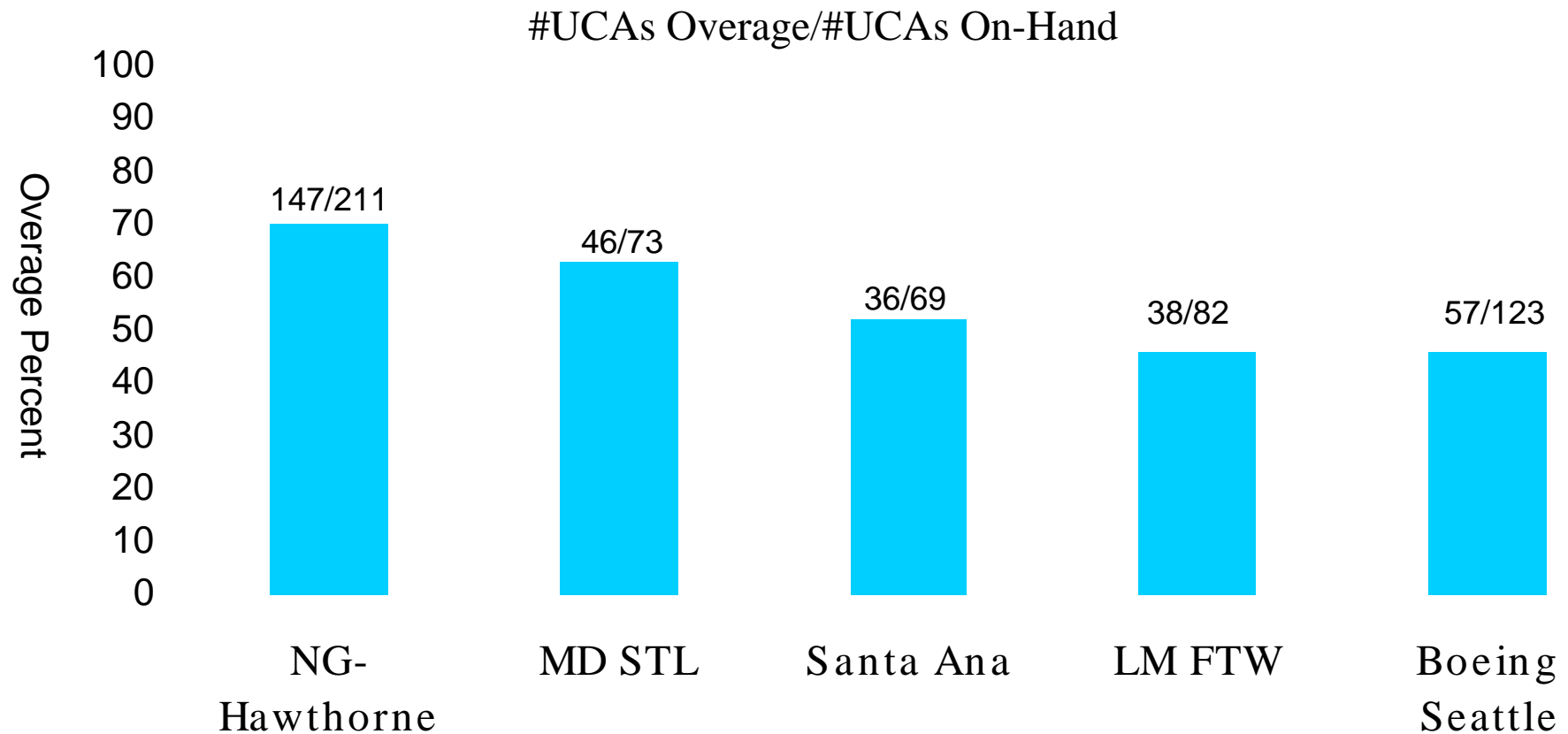
Right Price

UCA Definitization

Pacing CAOs With Overage UCAs

STATUS: RED

FY 97 GOAL : 10% Overage



Right Price

UCA Definitization

CAO Drivers, Corrective Actions, Get well Dates

- **Northrop Grumman (Hawthorne)** Mar 98
 - Both the June and July numbers were revised on August 8, 1997. CAO rebaselined and identified 72 overage not included in June 97 data.
 - PIOs incorrectly categorized as ALC definitization responsibility
 - June 97--208 on hand, 151 overage (corrected data)
 - July 97 data--211 on hand, 147 overage
 - Top drivers
 - Additional funding is still a problem (78 PIOs negotiated and awaiting additional funding)
 - Anti-Deficiency Act investigation at OC-ALC
 - Awaiting proposals due to
 - design changes
 - Part # rolls/obsolete parts
 - Vanishing or non-qualified vendors
 - Next Management Council meeting -- September 10, 1997
 - CAO briefing to District Commander September 9, 1997

Right Price

UCA Definitization

CAO Drivers, Corrective Actions, Get Well Dates

- **MD St. Louis**

Dec 97

- Substantial reduction in overage UCAs

May 97 -- 80%	Overage UCAs -- 80
Jun 97 -- 74%	Overage UCAs -- 61
Jul 97 -- 63%	Overage UCAs -- 46

- Management Council addressing overage UCA issues
- Management oversight by reviewing each overage UCA every month
 - In-depth breeding on the ten oldest UCAs

Right Price

UCA Definitization

CAO Drivers, Corrective Actions, Get Well Dates

- **Santa Ana**

Dec 97

- Boeing North American

- Anaheim -- Repair parts no longer in production--contractor looking for new vendors -- 10 Overage UCAs -- NAVICP
- Contractor recently qualified a vendor
- Seal Beach -- AC-130U Gunship -- Part # rolls and aircraft configuration not baselined --- 11 Overage UCAs
 - Contributes to late proposal submittals by the contractor
 - Additional funding is required on 9 orders affecting the ALLTV laser component---CAO is working with the contractor and buying activity to resolve this issue
 - Management Council focusing attention on issues causing overage

Right Price

UCA Definitization

CAO Drivers, Corrective Actions, Get well Dates

- Lockheed Martin Ft Worth Feb 98
 - Increased workload on F-16 Program
 - Overage percent increased from 21% in June to 46% in July
 - Overage UCAs increased from 26 in June to 38 in July
 - The CAO utilized the contract 240 days cycle rather than a 180 day cycle required by Metrics Guidebook.
 - CAO's overage percent is now based on 180 days
 - Corrective actions taken
 - Established a PROCAS team
 - DCMC, Contractor and Ogden ALC
 - Changes to streamline the UCA process to be implemented July 1997
 - CAO reassigned personal to PIO process and is using Overtime to reduce backlog

Right Price
UCA Definitization
CAO Drivers, Corrective Actions, Get well Dates

- **Boeing Seattle**

Apr 98

- Late receipt of proposals

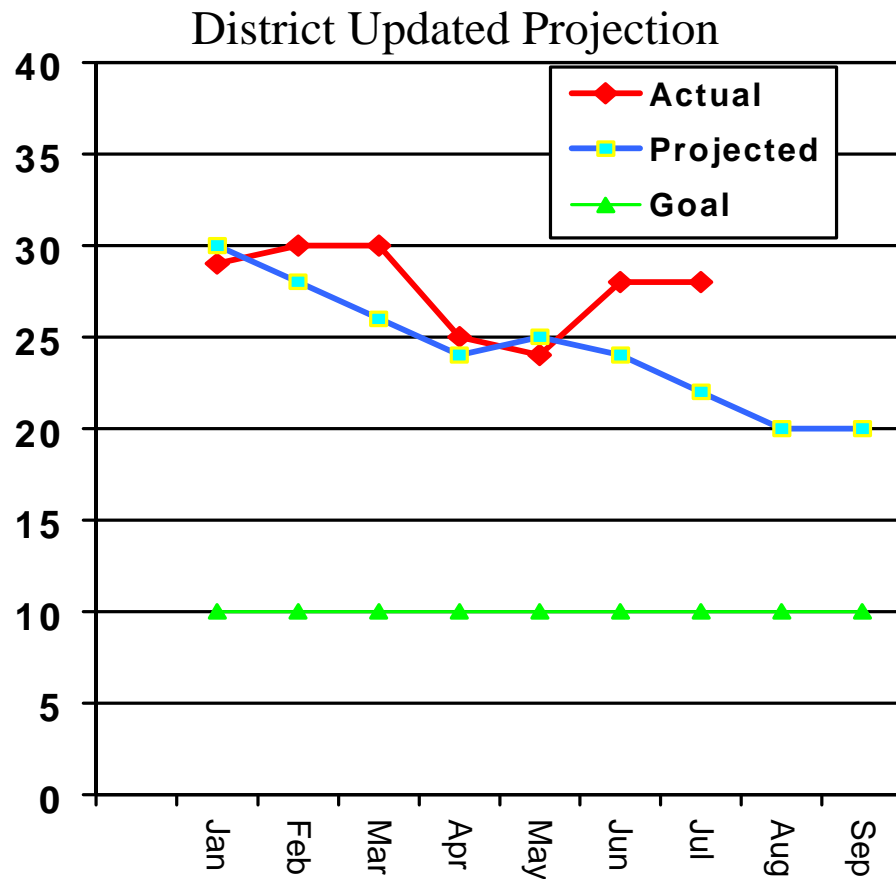
- Overage percent increased from 14% in June to 49% in July
 - Overage UCAs increased from 18 in June to 57 in July

- Corrective action taken

- CAO and contractor meeting to improve the internal proposal process
 - Working together to prioritize PIO negotiations and to resolve issues that are delaying the process
 - ACO reducing profit rate in negotiations

Right Price

UCA Definitization



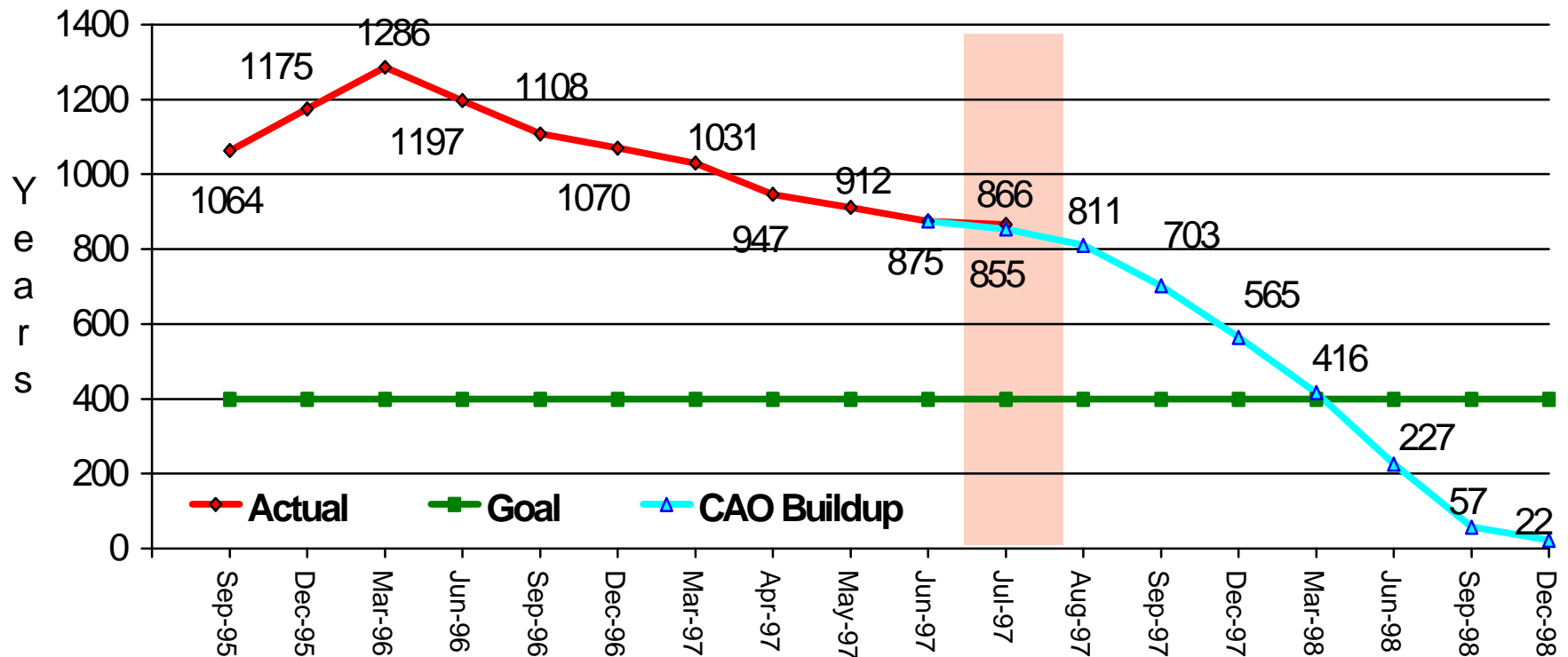
- The number of overage UCAs has decreased from 773 (Oct 96) to 432 (Jul 97)
- Systemic issues with PIOs are constraining reduction of overage actions

Right Price

Number of Open Overhead Negotiations

Status: **RED**

FY97 Goal: Backlog within 2 Year Cycle



- What did we accomplish since last report.
 - Automated Metrics System data input continues
 - OHC and District initial and revisits ongoing
 - July 1997 actuals include added transfer and new reportable years

Right Price

Number of Open Overhead Negotiations

Process Comparisons

“DCMDW OPEN = 1,031 (673 > 2 yrs)”

228	347	456
------------	------------	------------

Mar 1997

PROPOSALS DUE

> 2 yrs 43
 - 1995 40
 - 1996 130
 - 1997 15

AUDITS DUE

> 2 yrs 194
 - 1995 117
 - 1996 36

IN NEGOTIATIONS - Audit Age

< 6 Mos 78	> 6 Mos 358	> 2 yrs 436
		- 1995 18
		- 1996 2

“DCMDW OPEN = 866 (520 > 2 yrs)”

212	330	324
------------	------------	------------

Jul 1997

PROPOSALS DUE

> 2 yrs 33
 - 1995 35
 - 1996 136
 - 1997 8

AUDITS DUE

> 2 yrs 178
 - 1995 108
 - 1996 37
 - 1997 7

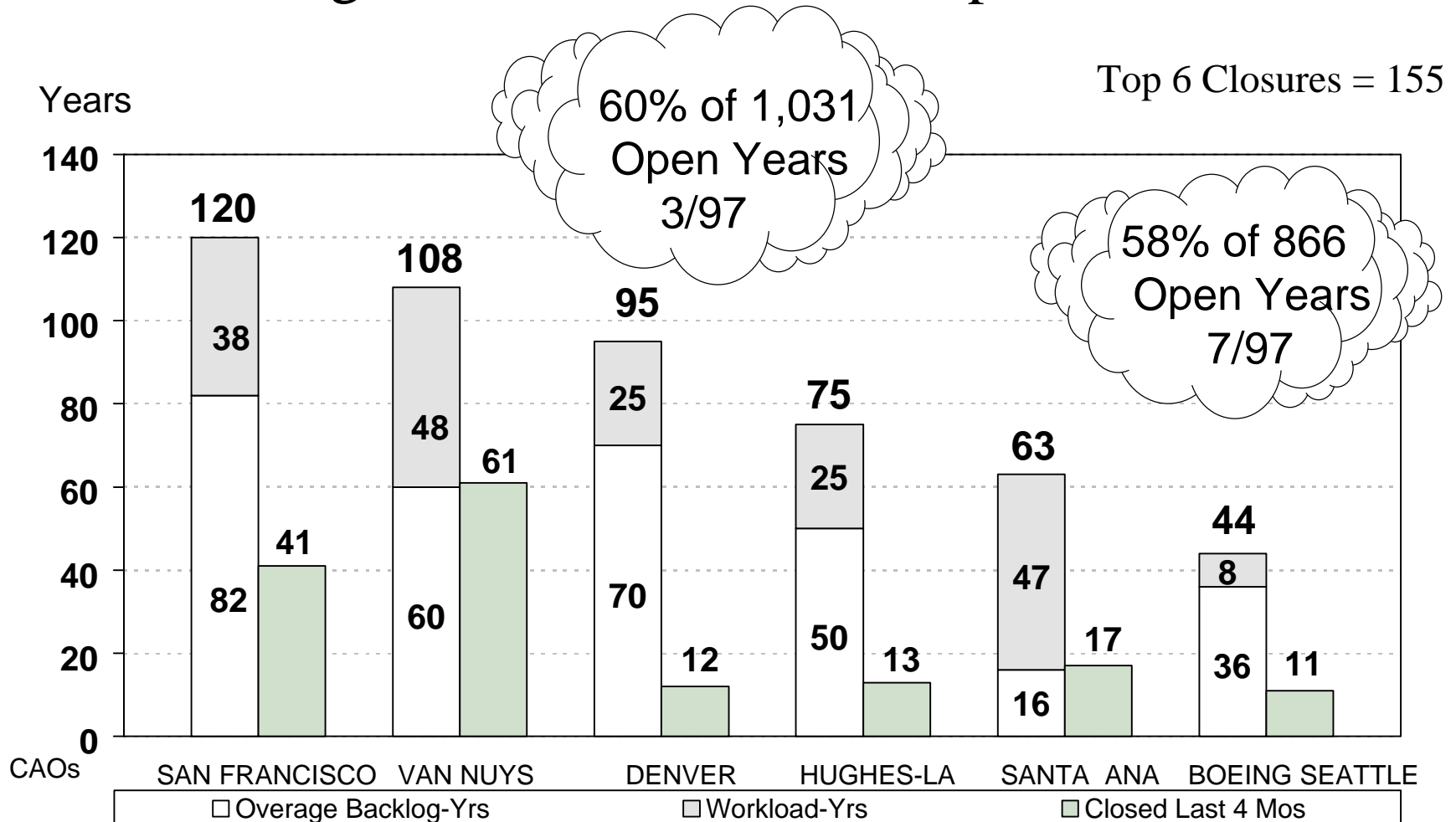
IN NEGOTIATIONS - Audit Age

< 6 Mos 15	> 6 Mos 294	> 2 yrs 309
		- 1995 13
		- 1996 2

- No Change to Outside ACO control = 118:
 - In litigation, 45 years; Awaiting CACO/DCE settlement, 33 years; Pending Environmental Remediation, 4 years; and Under DOJ/DCIS investigation, 36 years.

Right Price

Number of Open Overhead Negotiations Pacing CAOs for “Count” - Top 6 of 30



Right Price

Number of Open Overhead Negotiations

Pacing CAO Assessments

- **San Francisco:** (149 yrs open as of 3/31/97; now 120 - 7/31/97)
 - July closures 23; one new year; 21 more reported closed first 3 weeks August. Results due: (1) management involved and (2) ACOs issuing Final Decisions.
 - August MMR question: What are we doing to help? - Scheduling Overhead Center revisit.
- **Van Nuys:** (144 yrs as of 3/31/97; now 108 - 7/31/97)
 - July closures 7; Overhead Center revisit with a team planned in September to continue with assistance program; number of closing in August will be 3-5.
 - DOJ advance agreement signing(a reservation clause) key to TRW closings in September; this is to stay on CAOs aggressive closure plan (15 plus years here).
- **Denver:** (102 yrs open as of 3/31/97; now 95 - 7/31/97)
 - July closures 7; good progress; however, results will slow - too many years pending proposals and audits.
 - Plan in place addresses Internal Operations Assessment (IOA) concerns and DCMC goals.
- **Hughes LA:** (87 yrs open as of 3/31/97; now 75 - 7/31/97)
 - July closures 7; on plan and management involved.
 - Several years in negotiations.
- **Santa Ana:** (76 yrs open as of 3/31/97; now 63 - 7/31/97)
 - July closures 5; on plan and management involved.
- **Boeing Seattle:** (55 yrs open as of 3/31/97; now 44 - 7/31/97)
 - July closures 2; on track to plan , several years pending contractor signature.
 - Management focus continues.

Right Price

Number of Open Overhead Negotiations

- Comments
 - AMS will provide “much needed and more” management information.
 - Policy on audit determined rates open.
 - Coordinating with District Counsel to determine status of each year in the categories in Litigation and under DOJ/DCIS investigation.
- Bottom Line
 - Closure progress being made at all CAOs.

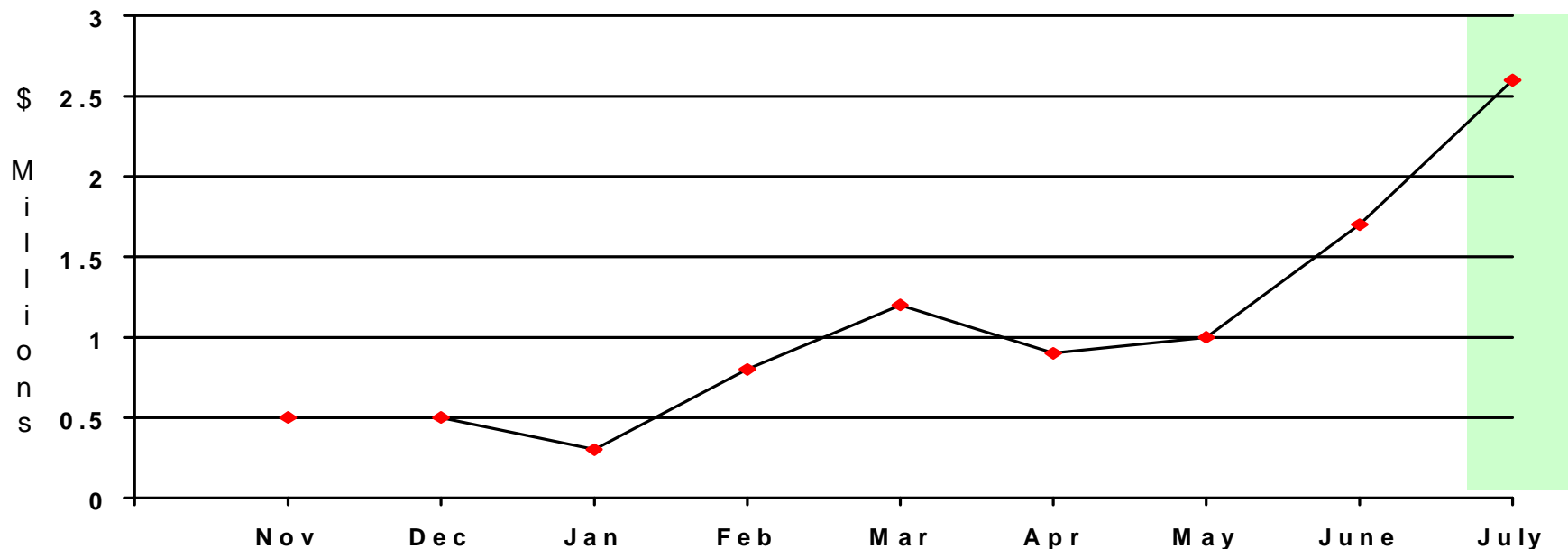
Right Price

Loss, Damage, or Destruction to GP

Dollar value LDD/Dollar value of GP

Status: Yellow

FY97 Goal: None



- July Data = \$ 2.6 m or .07%
- Pacing CAO Hughes Tucson \$ 1.5 Million

Right Price

Loss, Damage, or Destruction to GP

Dollar value LDD/Dollar value of GP

DCMC Hughes Tucson

- Loss of Government Property: \$ 1.5 million
 - 6 items of other plant equipment @ \$ 4291.
 - 282 items of Special Tooling @ \$ 229,244.
 - 270 items of Special Test Equipment @ \$ 1,273,830.
- Ktr relieved of financial responsibility
- Cause: Inadequate records and inventory effort from consolidating Hughes operations and closing former GD facilities

Right Price

Loss, Damage, or Destruction to GP

Dollar value LDD/Dollar value of GP

- HMSC Corrective Actions Taken:
 - Doubled ktr inventory staff
 - Improved property control metrics
 - Updated inventory reporting and reconciliation process
 - Increased visibility and awareness to LDD throughout Hughes Company
- DCMC Actions:
 - DCMC involvement reduced inventory cycle from 6 years to 18 months

Right Price

Loss, Damage, or Destruction to GP

Dollar value LDD/Dollar value of GP

Bottom Line

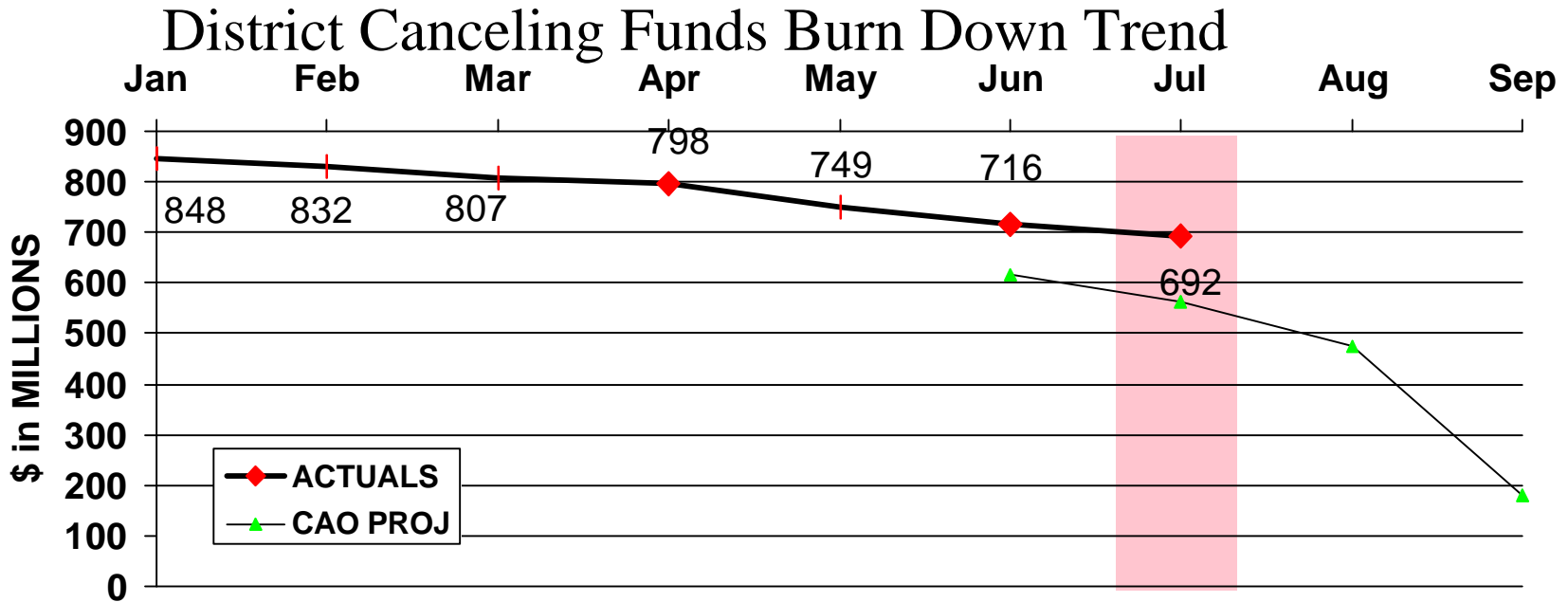
- It is estimated that an additional \$ 2 million of losses will be reported by FY end
- Process weakness:
 - Lack of emphasis on property during transition of facility consolidations and new company acquisitions.

Right Efficiency Contract Closeout

Canceling Funds

STATUS: Red

FY 97 GOAL : \$0 Canceling Funds



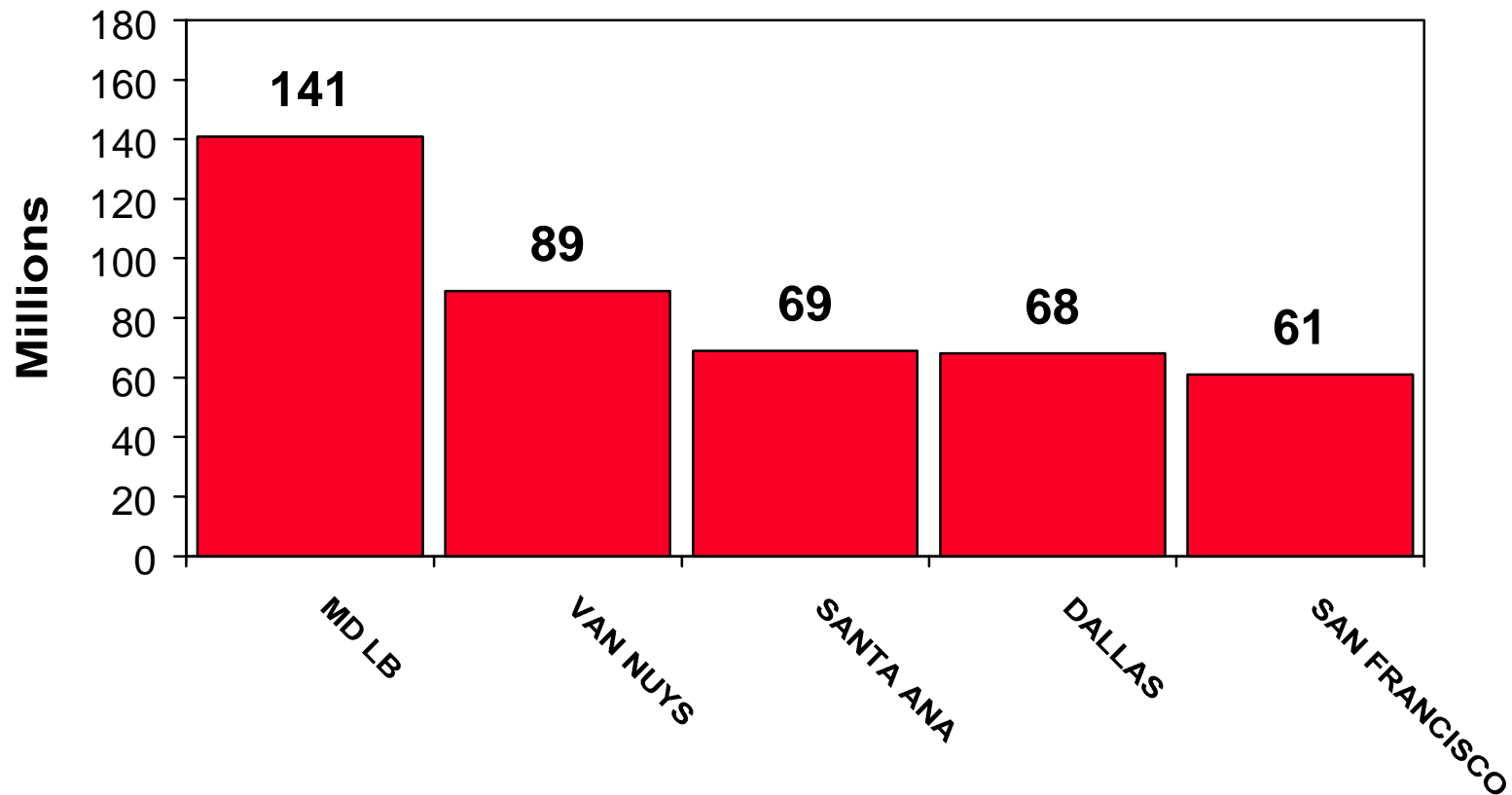
Accomplishments since the last MMR

- Developed a summary CAO Projection line based on information provided individual CAOs.

Right Efficiency

Contract Closeout / Canceling Funds

Pacing CAOs with Greatest Canceling Funds Sections 1-4



Pacing CAOs

MD, Long Beach: \$141M in ULO (100% in Section 1)

- 60% is C-17, 40% is KC-10, Other
- CAO using Management Council to expedite the removal of delivery withholds.
- CAO projection of FY loss \$4.7M, due primarily to aircraft delivery withholds.

Van Nuys: \$89M in ULO (54 % in Section 1)

- Largest contributor is TRW with 2 DSP contracts totalling \$35.1M
 - Incentive fees and 'other deliverables'
- CAO projection of FY loss \$21M primarily due to contract reconciliations and non-deliverables.
 - Contractor records indicate all but \$5.75M has already been disbursed

Santa Ana: \$69M in ULO (87% in Section 1)

- \$29M Aerojet due to On-Orbit incentives- In MOCAS database but not subject to cancelation.
- \$6M B1-B massive reconciliation in-process.
- \$11M due to be transferred, belongs to another CAO: \$10M transferring to DCMDE
- CAO projection of FY loss \$8.4M, primarily due to open overhead years, lack of contractor billings and disbursement errors by DFAS.

Pacing CAOs

Dallas: \$68.8M in ULO (72% in Section 1)

- Hughes Training-\$20.4M, transfer issues, should be resolved with certification of funds by DFAS.
- Raytheon E-Systems-\$16.3M, Lack of contractor billing.
- Management Council used for problem resolution.

San Francisco: \$61M in ULO (78% in Section 1)

- 9 contractors, LATD, WDL, TRW, SRI, TI, HLA, UDLP, Bechtel, and Argo Systems have an aggregate \$37.2M at risk. Anticipate resolution before year end.
- A team has been established to concentrate on avoiding canceling funds.
- ULO increased due to a credit voucher from UDLP. Credit resulted from DFAS payment from incorrect ACRN.
- CAO projection of FY loss \$13.8M, primarily due to obligation and disbursement errors.

Right Efficiency

Contract Closeouts / Canceling Funds

Bottom Line

- Analysis of each CAO's performance is underway. Anticipate sharp decrease in canceling funds in August.
- Pacing CAOs have provided details about funds at risk. CAOs actively working to pursue alternate methods of avoiding canceling funds.

SPECIAL TOPIC

Unreconcilable Contracts

57 DFAS Contracts determined to be unreconcilable and transferred to Districts for reconciliation and closeout. Western District received 31 of the 57 for action.

<u>CAO</u>	<u># Contracts</u>	<u># Completed</u>	<u>Balance</u>
St. Louis	2	1	1
Twin Cities	3	3	0
Hughes, L.A.	1	1	0
Santa Ana	2	2	0
San Diego	2	2	0
Phoenix	3	2	1
Van Nuys	7	6	1
San Francisco	<u>11</u>	<u>11</u>	<u>0</u>
	31	28	3

SPECIAL TOPIC

Unreconcilable Contracts

- DAAK29-85-C-0631, Electronic Space, DCMC St. Louis
 - Contractor is in litigation regarding a pension issue resulting from a corporate consolidation. Mike Moran, CAO Counsel, has advised the District that he is working with HQ Counsel, George Sisson, on this subject. This particular type of dispute does not lend itself to Alternate Disputes Resolution. Contractor and Government are \$40M apart. CAO working with contractor and DFAS to complete reconciliation, to the point of negotiation, before 12/31/97. Litigation completion, worst case, projected 3/01/00. Issue may be resolved prior to 3/01/00
- N00019-87-C-0268, Universal Prop, DCMC Phoenix
 - In final stages of closing, DFAS assistance requested. Completion date 8/30/97.
- F42600-85-C-1678, Unisys, DCMC Van Nuys
 - In final stages of reconciliation. Working with DFAS. Completion date 8/30/97

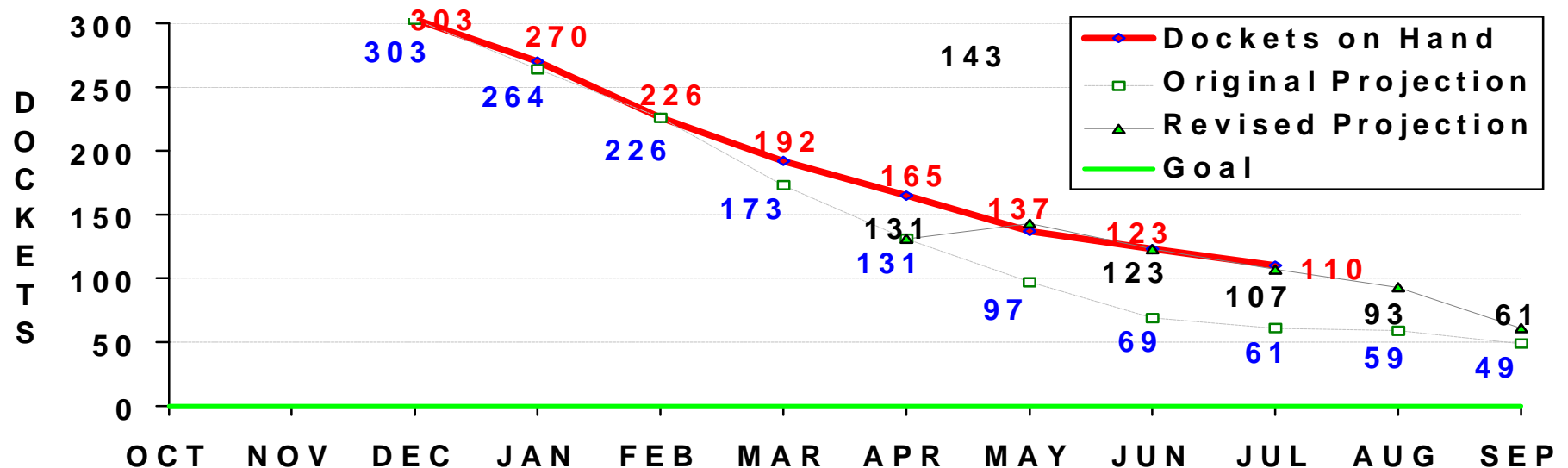
Right Efficiency

Termination Actions

Termination for Convenience Overage Dockets

STATUS: **RED**

FY97 Goal: Zero Dockets with
Termination Date prior to 1/1/95



What we have accomplished since the last briefing ...

- Total number of overage dockets continues to decrease, have meet the revised burn down plan.
- Continue to review the variances to the revised burn down plan

(DCMDW)

Right Efficiency

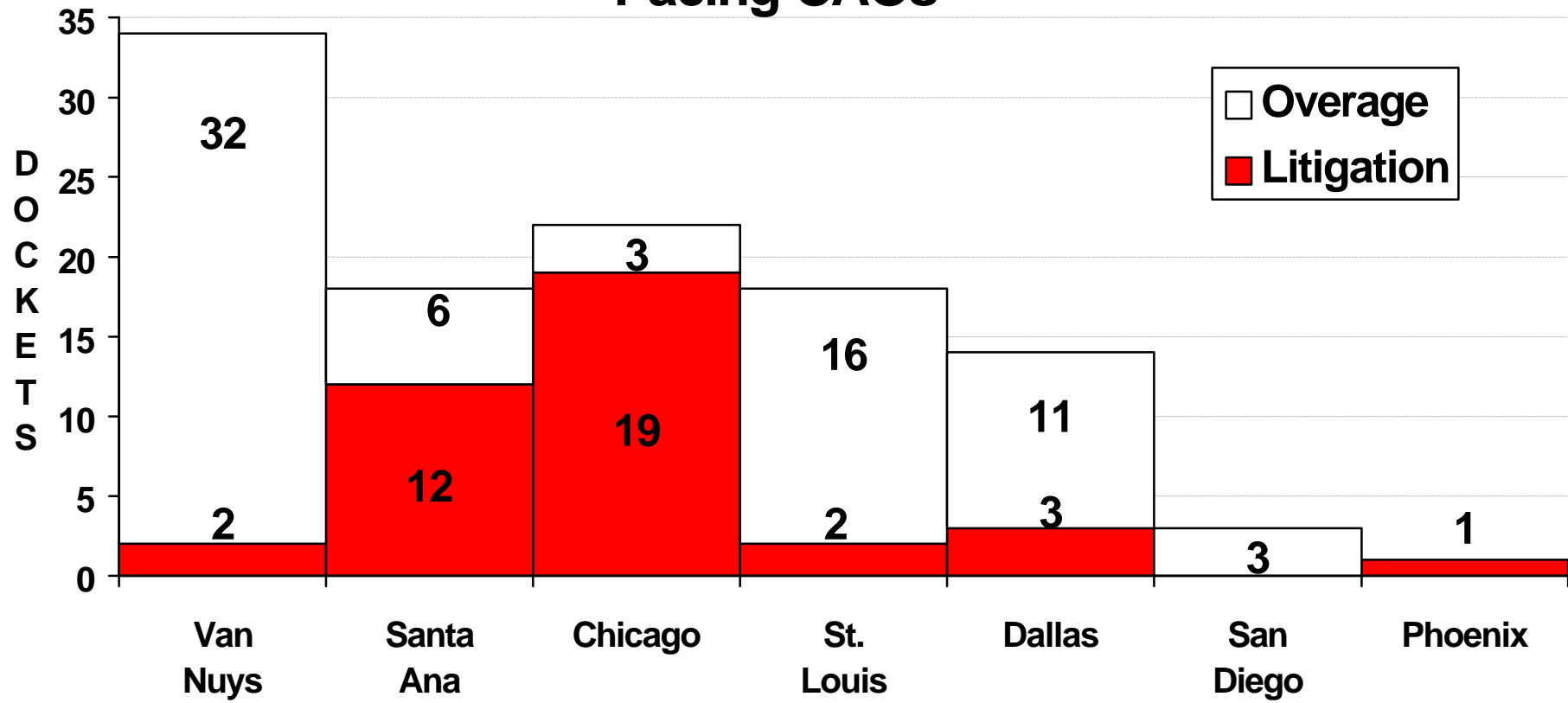
Termination Actions

Overage Dockets - Pacing CAOs

STATUS: **RED**

FY 97 Goal: Zero Dockets with
Termination Date prior to 1/1/95

Pacing CAOs



Right Efficiency Termination Actions

Overage Dockets - CAO Burn Down Plan

STATUS: RED

FY97 Goal: Zero Dockets

		12/96	1/97	2/97	3/97	4/97	5/97	6/97	7/97	8/97	9/97
DCMC Van Nuys											
(O/H: 154 Overage:34 - 22%)	(1)	120	103	88	68	48	48	39	29	19	3
Actual		120	104	87	72	58	44	36	34		
DCMC Dallas											
(O/H: 78 Overage:14 - 18%)	(2)	53	41	31	18	12	17	17	14	13	13
Actual		51	41	32	26	24	17	15	14		
DCMC Santa Ana											
(O/H: 64 Overage:18 - 28%)	(3)	54	51	44	31	25	27	22	20	20	14
Actual		54	51	41	33	28	27	25	18		
DCMC St. Louis											
(O/H: 109 Overage:18 - 17%)	(4)	39	34	30	24	19	24	18	17	14	6
Actual		39	39	33	31	28	22	21	18		
DCMC Chicago											
(O/H: 101 Overage:22 - 22%)	(5)	31	31	29	29	24	23	23	23	23	23
Actual		31	31	29	26	23	23	22	22		
DCMC San Diego											
(O/H: 12 Overage:3 - 25%)	(6)	3	3	3	2	2	3	3	3	3	2
Actual		4	3	3	3	3	3	3	3		
DCMC Phoenix											
(O/H: 26 Overage:1 - 4%) ORIG		4	1	1	1	1	1	1	1		
Actual		4	1	1	1	1	1	1	1		
TOTAL AVERAGE DOCKETS		303	270	226	192	165	137	123	110		

(DCMDW)

Right Efficiency Termination Actions

Termination for Convenience Overage Dockets

STATUS: **RED**

FY 97 Goal: Zero Dockets with
Termination Date prior to 1/1/95

Bottom Line

- We are not on track to our burn down plan due to lack of funding from the PCOs. Issue being elevated to HQ DCMDW requesting assistance.
- From Jan 97 to Jul 97 there has been a decrease in Overage Dockets by 64% (303 to 110)

Performance Goal 3.1.1

Reduce facilities costs - bring footage of office space into compliance w/DLA std. Move offices from leased space into DoD space.

Status: Red

FY 97 Goal: 130 sq ft net per person.
Move offices from leased space to
DoD Space

Comments:

- DCMDW currently occupies office and warehouse space in 92 facilities located in 28 states.

Facilities

47 - Federally-owned

24 - DoD-owned

21 - Commercially leased space

Total 92

Performance Goal 3.1.1

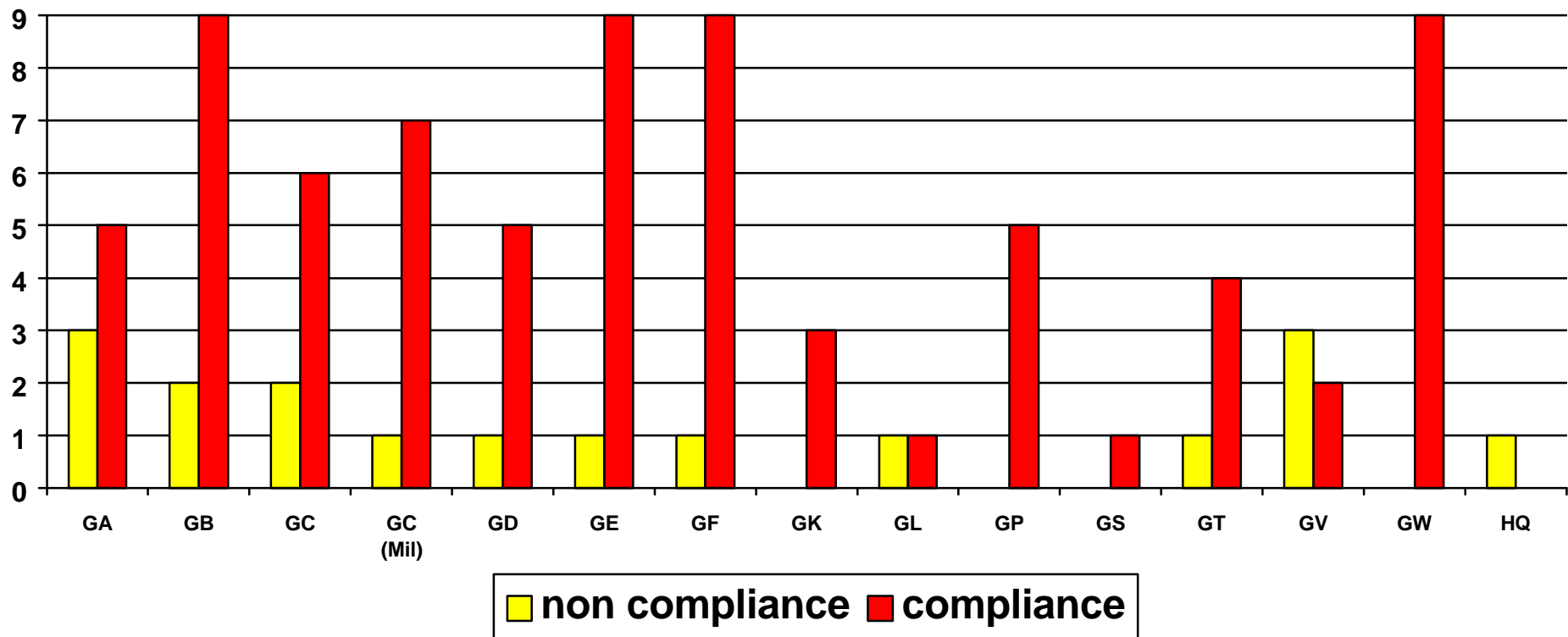
Reduce facilities costs - bring footage of office space into compliance w/DLA std. Move offices from leased space into DoD space.

Comments:

- Actions required/taken to improve the 23 facilities identified as not in compliance
 - As a result of reorganization and reconfiguration, 6 facilities have been brought into compliance.
 - We are currently in the process of assessing 5 facilities to determine what actions will be required to improve their utilization rate.
 - There are 12 facilities in the process of a relocation or reconfiguration and their space requirements were developed to bring them into compliance.

Performance Goal 3.1.1

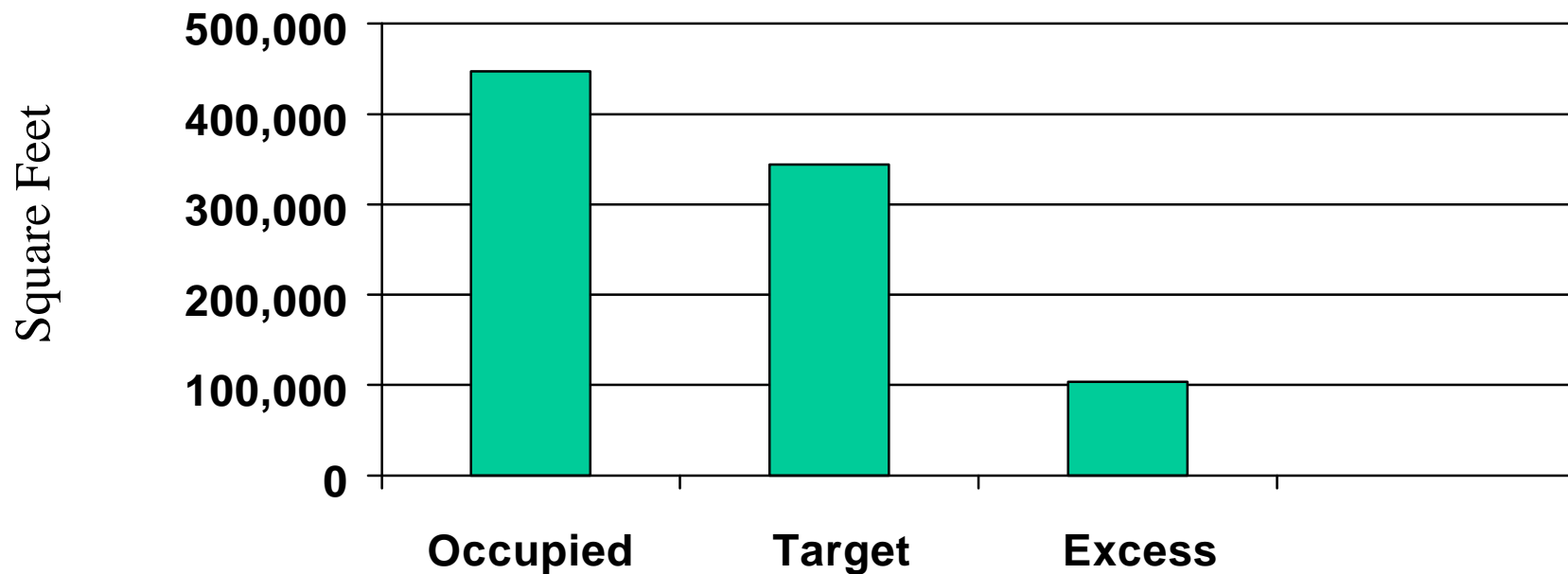
Reduce facilities costs - bring footage of office space into compliance w/DLA std. Move offices from leased space into DoD space.



	GA	GB	GC	GC (Mil)	GD	GE	GF	GK	GL	GP	GS	GT	GV	GW	HQ
non compliance	3	2	2	1	1	1	1	0	1	0	0	1	3	0	1
compliance	5	9	6	7	5	9	9	3	1	5	1	4	2	9	0

Performance Goal 3.1.1

Reduce facilities costs - bring footage of office space into compliance w/DLA std. Move offices from leased space into DoD space.



Occupied	Target	Excess
447,411	344,110	103,301

GOOD NEWS

DCMC OFFICE

DESCRIPTION

DCMC-San Antonio

Reduce UCAs

DCMC-Tucson

Earned Value Mgmt. Cost Savings

DCMC

Monthly Management Review

DCMDI



DCMC

Monthly Management Review

DCMDI





Resource Management

July 97 Data

DCMDI

Business Performance Metric

INTL

Budget Execution

Total

Performance Topic

Red

Direct

Red

Reimbursable

Red

Personnel

Full Time Equivalent Execution

Red

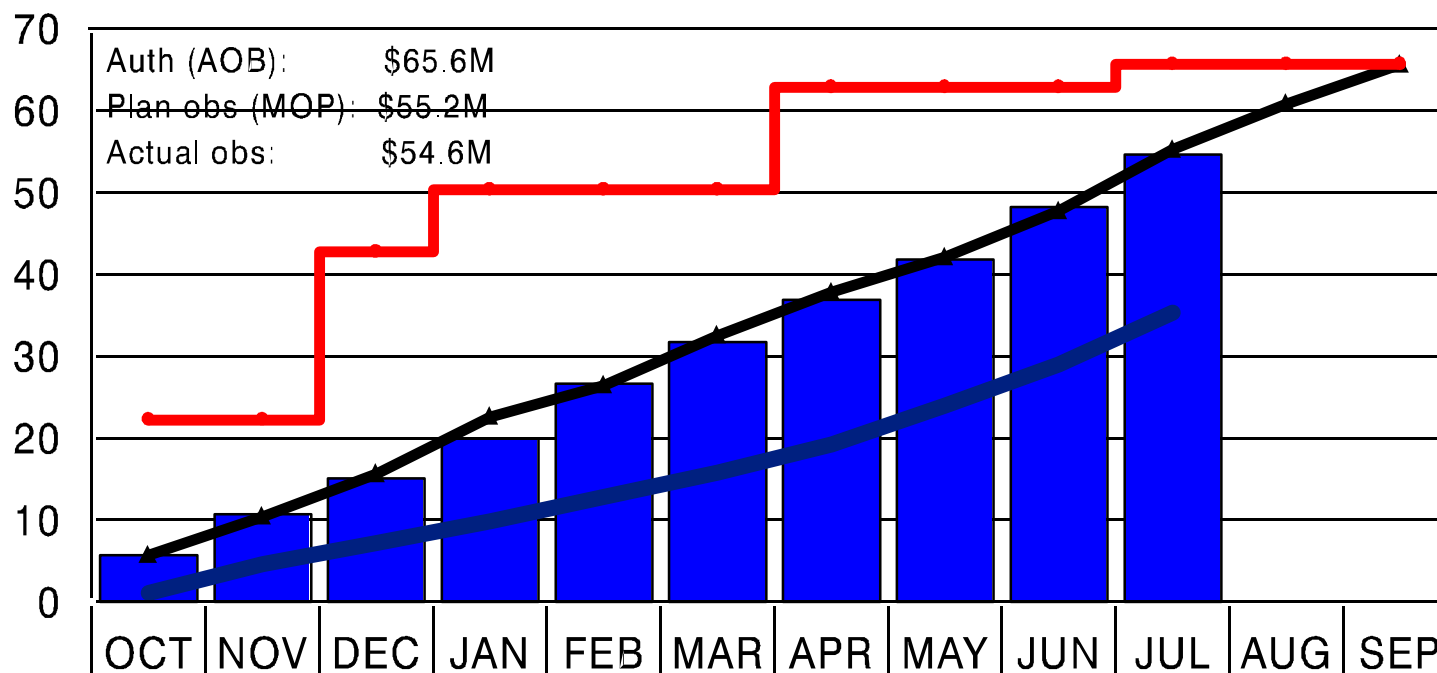
DCMDI Resource Management

FY 97 Total Execution

(Includes Centers)

Millions of dollars

Status: Red



Authorized Plan Obligations Expenditures

Obligations/plan 98.9%



DCMDI Resource Management

FY 97 Total Execution

Status: Red



Comments: (as of 30 Jul 97)

\$600K under obligation to plan due to the under obligation of direct by \$1.2M and the over obligation of reimbursable plan by \$600K

Actions taken:

See Total Direct and Reimbursable Execution slides

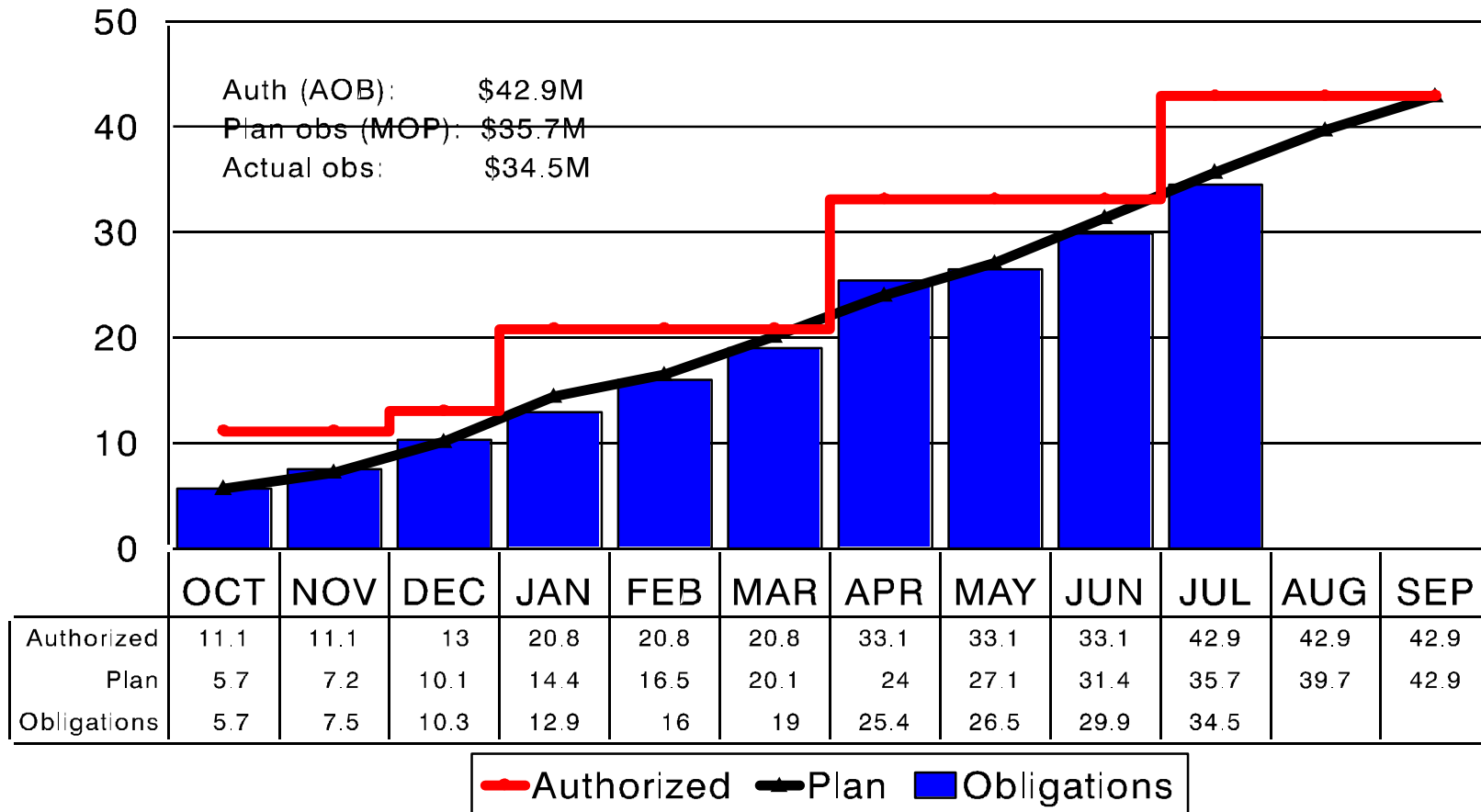
DCMDI Resource Management

FY 97 Direct Execution

Status: Red



Millions of dollars



Obligations/Plan: 96.6%



DCMDI Resource Management

FY 97 Direct Execution

Status: RED ■

Comments: (as of 30 Jul 97)

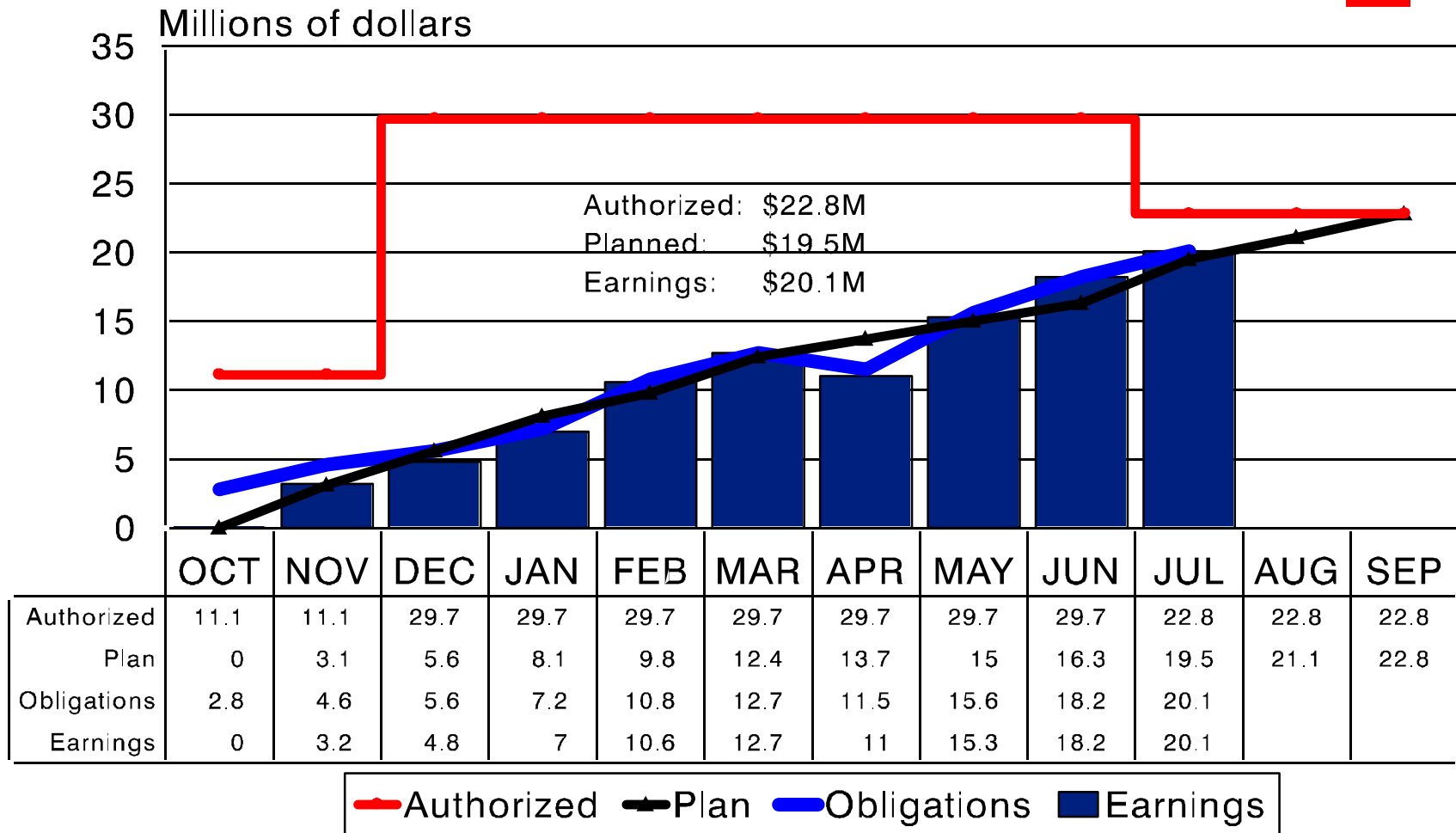
\$1.2K under execution in direct is due to non-obligation trans-comm (OC23.20) billings and the under execution of labor dollars. This underexecution is magnified by the overexecution of reimbursable funds.

Actions taken:

Trans-comm billings (\$250K) were forwarded to DASC for obligation. Steps are being taken to reconcile ytd obligations with the current status of funds and year end requirements.

DCMDI Resource Management FY 97 Reimbursable Execution

Status: Red ■



Earnings/Plan: 103.1%



DCMDI Resource Management

FY 97 Reimbursable Execution

Status: RED 

Comments: (as of 30 Jul 97)

\$600K over execution (Earnings to Plan). Over obligation is due to the obligation of end of year Eskon requirements.

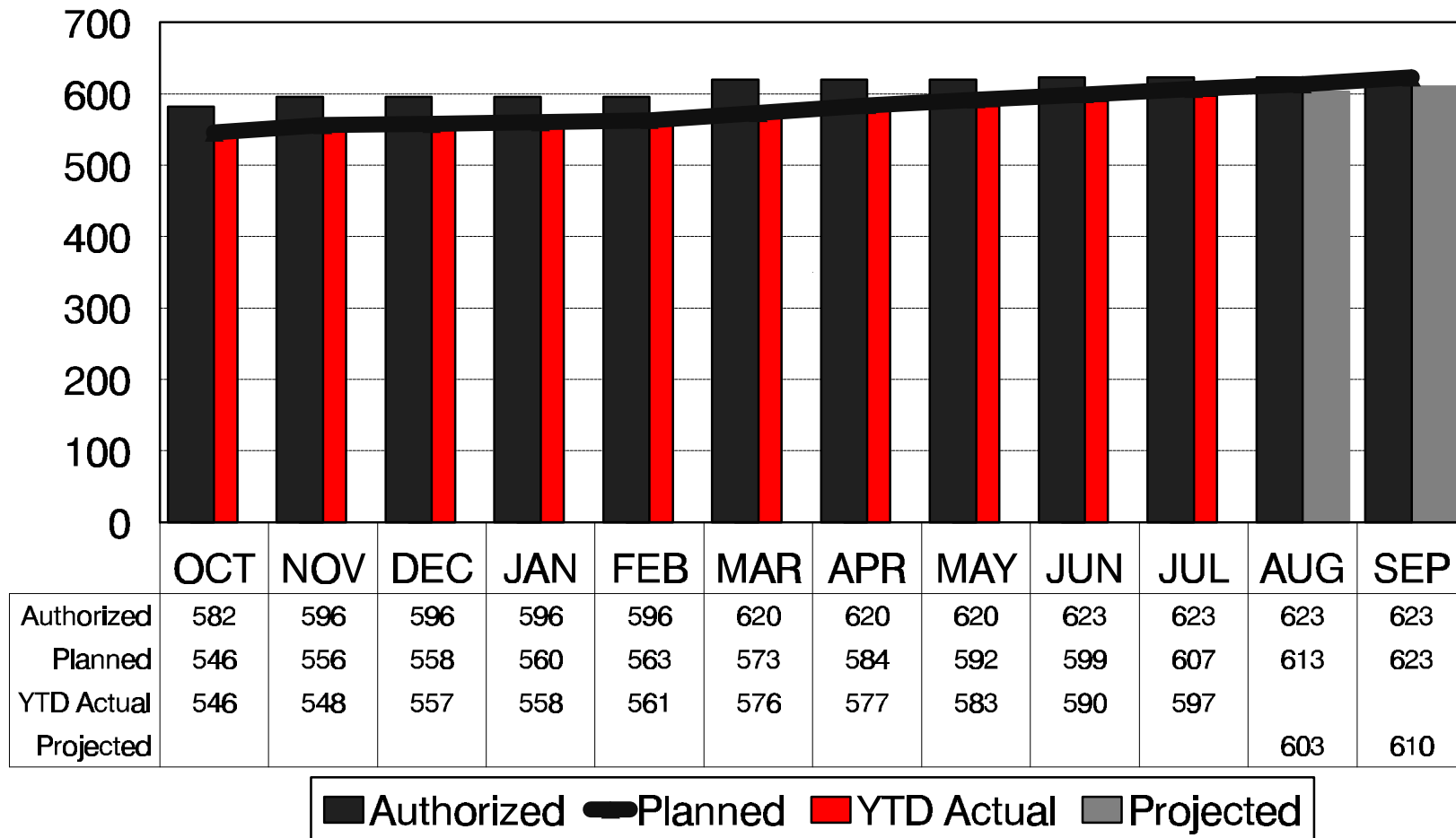
Actions taken:

Steps are being taken to identify outstanding year end requirements for Eskon Village and other reimbursable customers.

FY97 DCMDI FTE Execution

a/o 31 July 1997

Status: Red



Actual/Plan: 98 %

Champion: Neil Thoreson 58

FTEs Execution

A/O 31 July 97

Status: Red



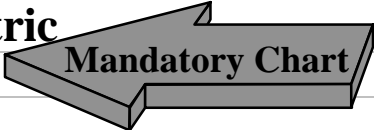
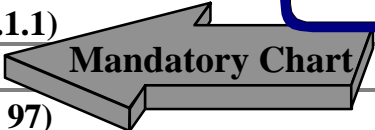

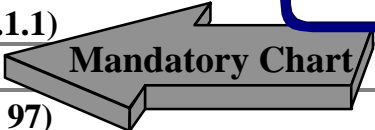

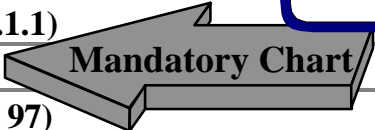
FY97 FTEs GOAL = 623

Comments:

- Actual 597 vs plan 607, variance of -10
- We plan to execute 610 of the 623 FTEs for FY97.
 - 8 under execution by the Centers
 - 5 under execution by FMS



DCMDI Mission Performance

Performance Metric		DCMC	East	West	Int'l
1. Right Item - Conforming Items (3.7.1.3)					NR
• Design Defects (3.10.1 and 3.10.1.1)					Green
• Packaging Discrepancies (3.4.1) (begin 4Q 97)					NR
• Adopted Software Recommendations (3.10.1.6)					Green
2. Right Time - On Time Contractor Delivery (3.7.1)		 			NR
• Customer Priority List (CPL) Coverage (3.7.2)					Green
• Engineering Change Cycle Time (3.10.2.2)					Green
• Schedule Slippage's on Major Programs (3.12.2.1) (begin Jun 97)					NR
• Shipping Document Cycle Time (3.5.2) (begin 2Q97)					NR
3. Right Price - Cost Savings & Avoidances (1.4.1)					NR
• ROA on Property from Plant Clearance (4.3.1)		 			Green
• Negotiation Cycle Time (2.2.2)					Green
• UCA Definitization (2.2.2.1)					Yellow
• Forward Pricing Rate Agreement (FPRA) Coverage (2.2.1.1)					Green
• Open Overhead Negotiations (4.4.1)					Green
• Cost Overruns on Major Programs (3.12.1.4) (begin Jun 97)					NR
• \$ Value of Lost/Damaged/Destroyed Government Property (3.2.1)					Green
4. Right Advice - Participation in ASPs and RFP Reviews (1.2.3)					Green
• Repeat Requests for Early CAS (1.2.3.1)					Green



DCMDI Mission Performance (Con't)

Performance Metric	<u>DCMC</u>	<u>East</u>	<u>West</u>	<u>Int'l</u>
• % Contractors on Contractor Alert List (CAL) (2.1.1.2) (begin 3Q97)				NR
• Single Process Implementation (2.1.2)				Green
• Preaward Survey Timeliness (2.1.2)				Red
• Amount of DoD Property (3.2.1.1)				NR
• Excess Property (3.2.1.2)				Green
• Delay Forecast Coverage (3.7.1.1)				NR
• Delay Forecast Timeliness (3.7.2.1)				NR
• Delay Forecast Accuracy (3.7.1.2)				NR
5. Right Reception - Customer Satisfaction (3.11.1.1)				Green
• Service Standards (1.3.1) (begin 2Q97)				NR
• Trailer Cards (3.11.1.2)				Green
6. Right Efficiency - Contracts per FTE (1.1.8)				NR
• Contract Closeout (4.2.2.2)				Green
• Canceling Funds (TBD) (begin Mar 97)				Green
• Termination Actions (4.1.2) (begin Mar 97)				Yellow
7. Right Talent - Training Hours (1.8.1)				Green
• DAWIA Certification (1.8.1.2)				Green
• Course Completion (1.8.1.1)				Green
• Training Quota Usage (1.8.1.3)				Green

Performance Topic

Mandatory Chart

Performance Topic

DCMDI

Right Item

Conforming Items

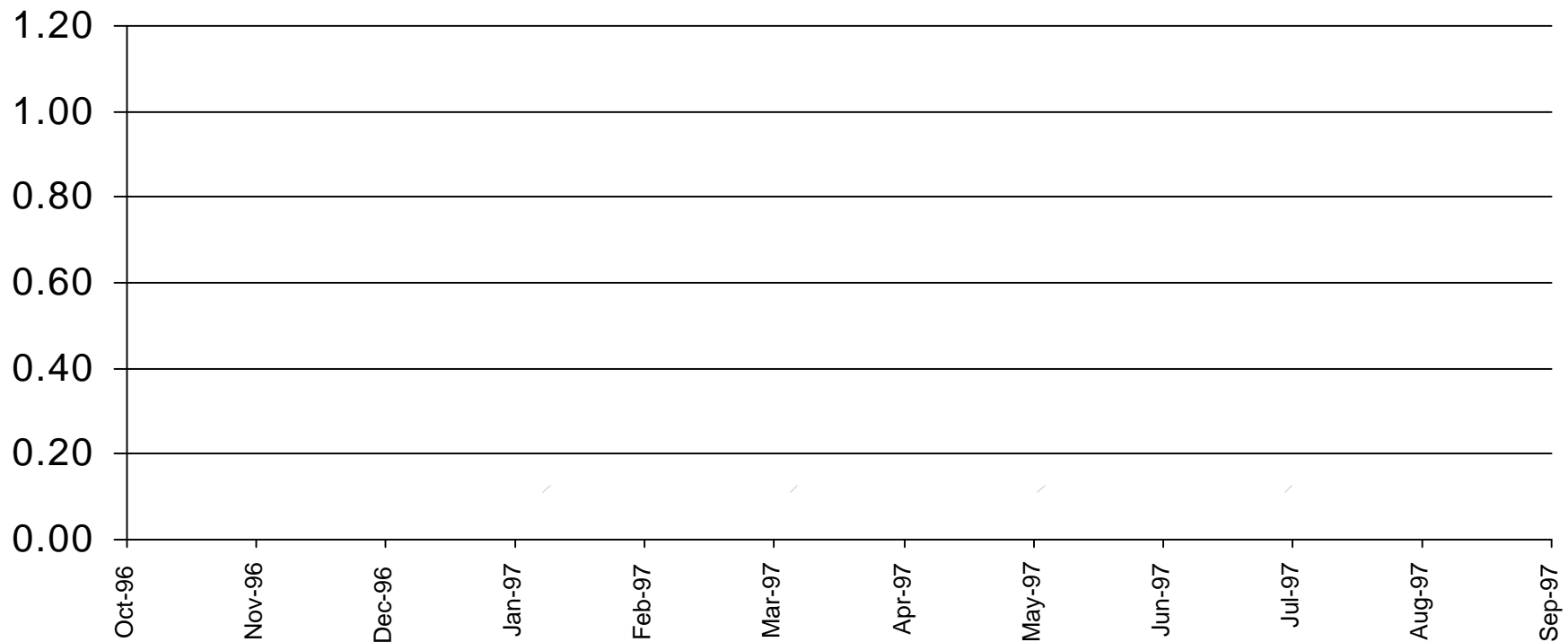
[Mandatory Chart]



(#Usable Lab Tested Items / # Lab Tested X 100)

STATUS: **NR**

FY 97 Goal: **Not Rated**



Business Plan Reference: 1.2.1.1

Champion: Bill Gibson

DCMDI

Right Item

Conforming Items

[Mandatory Chart]



- July Data = 0, no OCONUS products or contractor identified.
- FY97 Goal = **Not Rated**
- Current Status:
- Backup Info: No action for DCMDI or CAOs at this time due non involvement with Labs. According to our investigation no OCONUS products or contractors have been identified thusfar as a result of the current Lab Testing program. DCMDI POC will remain in contact with the DCMC POC to assure continued insight into this Metric to determine International product or contractor involvement.

Business Plan Reference: 1.2.1.1

Champion: Bill Gibson

DCMDI

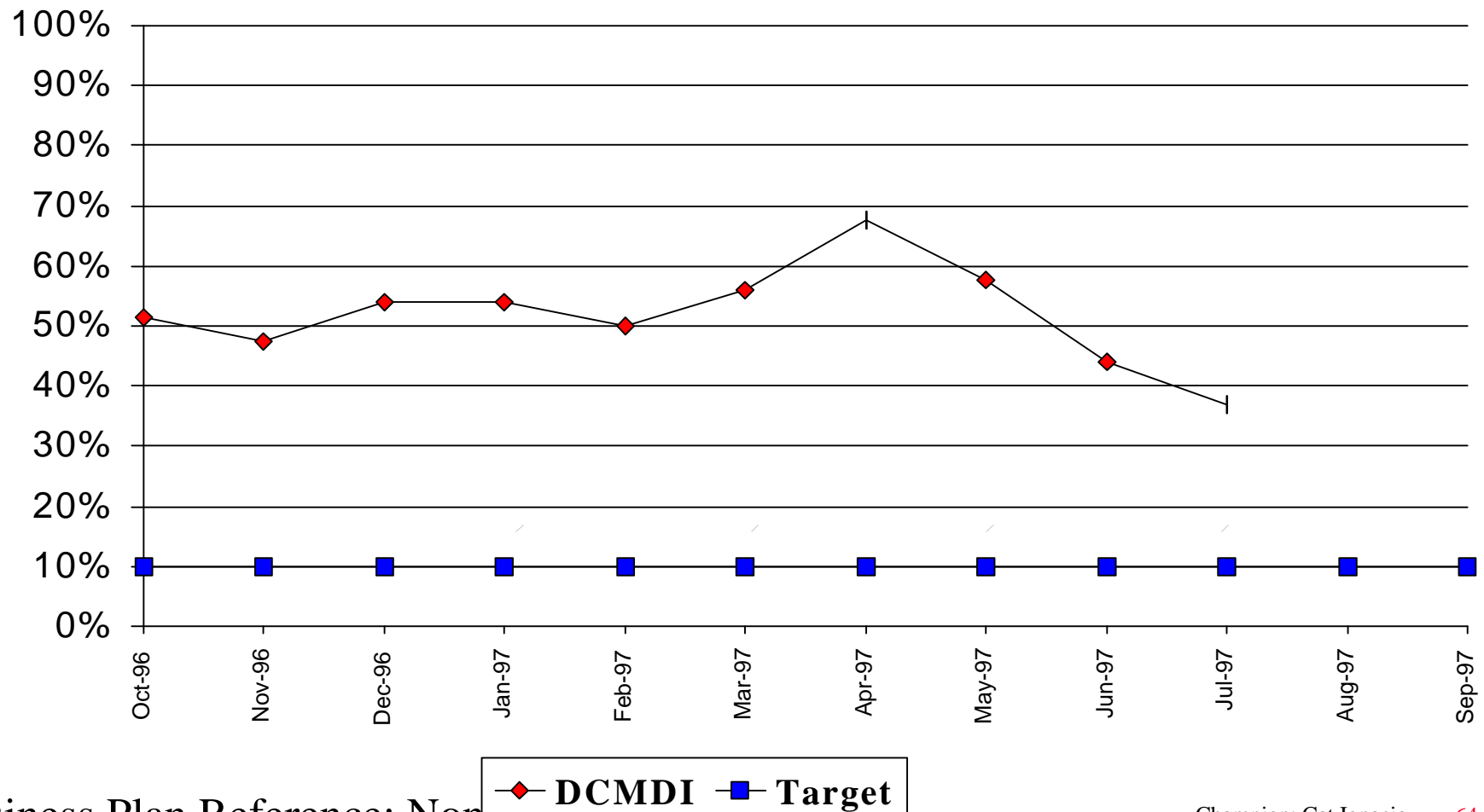
Right Price

UCA Definitization

(UCAs >180 Days / UCAs On-Hand)

STATUS: Yellow

FY 97 Goal: 10%



Business Plan Reference: None

Champion: Cat Ignacio

Right Price

UCA Definitization

CAO Drivers, Corrective Actions, Get Well Dates

- July Data = July 97 # of UCAs (63) > 180 Days (23) ---- 37%
- FY97 Goal = **10%**
- Current Status: **YELLOW**
- Jun 97 # of UCAs (88) > 180 days (39) ---- 44%
- May 97 # of UCAs (106) > 180 days (61) --- 58%
- **DCMC Americas: 32 UCAs, 3 overage - 9%**
 - ACO preparing unilateral determinations for the two overaged UCAs awaiting Ktr proposals
 - Awaiting funds from PCO for the remaining one
- Get Well Date: Aug 97

DCMDI

Right Price

Open Overhead Negotiations

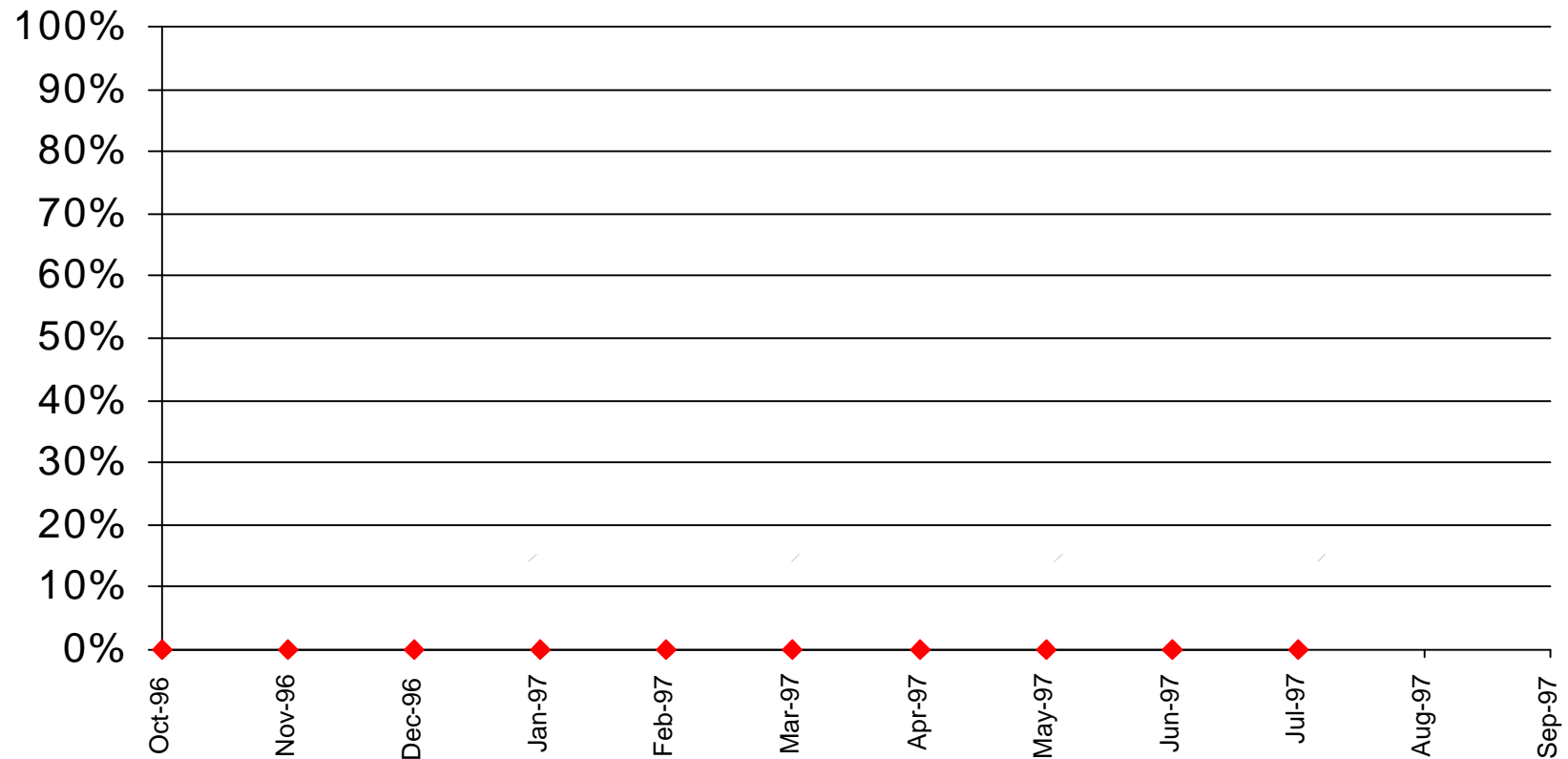
[Mandatory Chart]



STATUS: **Green**



FY 97 Goal: **Backlog within 2 Year Cycle**



Business Plan Reference: 4.4.1

Champion: Cat Ignacio 66

DCMDI

Right Price

Open Overhead Negotiations

[Mandatory Chart]



- July Data = 0
- FY97 Goal = **Backlog within 2 Year Cycle**
- Current Status: **GREEN**
- DCMDI has no contracts with open overhead years under a cost monitoring program. Data will likely remain the same during FY 97.

Business Plan Reference: 4.4.1

DCMDI

Right Advice

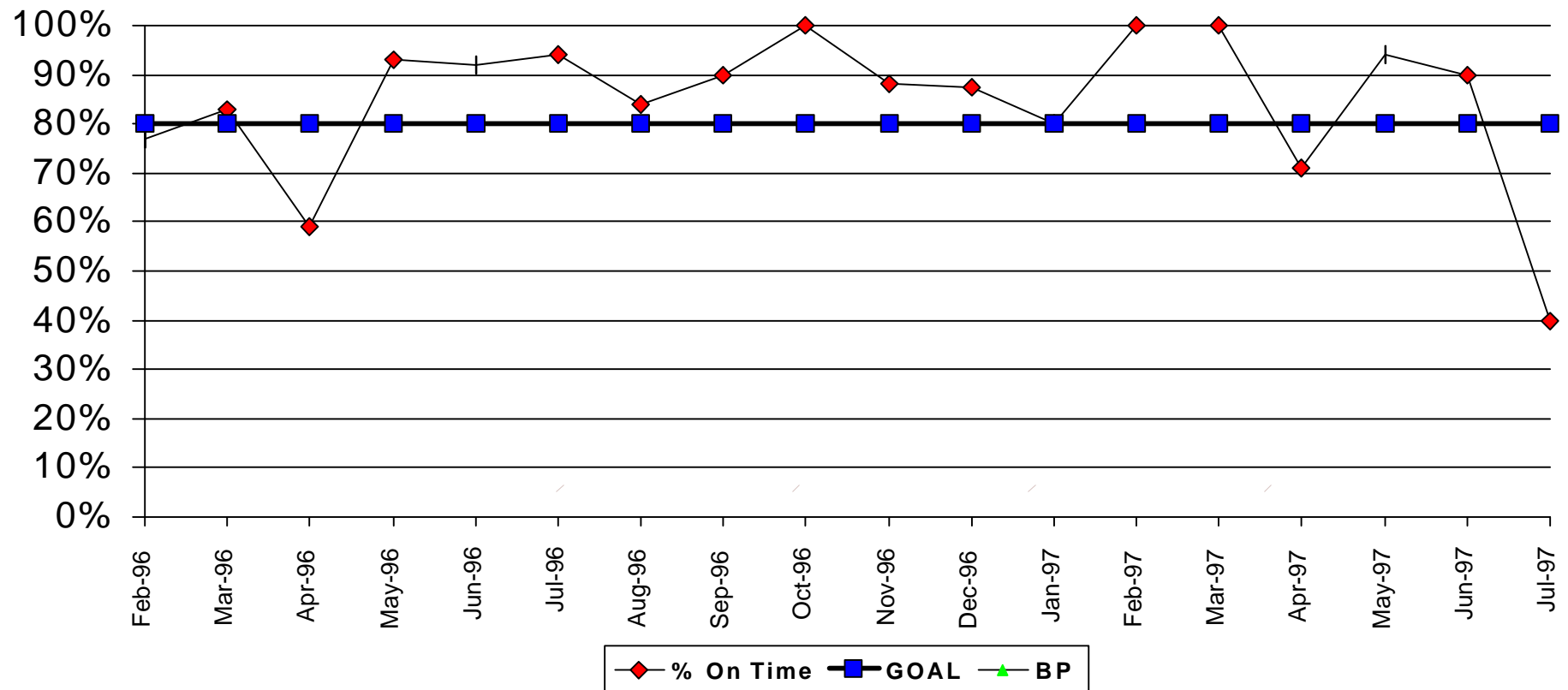
Preaward Survey Timeliness

(# Preawards Completed On Time / # Preawards)

STATUS: **Red**



FY 97 Goal: **80 %**



Business Plan Reference: None

Right Advice

Preaward Survey Timeliness

(# Preawards Completed On Time/ # Preawards)

-
- July Data = 40%
 - FY97 Goal = **80 %**
 - Current Status: **RED**
 - S.Europe received approximately 100 Into-Plane surveys DRP from DFSC
 - 37 Completed Late/48 Have Yet to be Completed*
 - Influx of Requests Overwhelmed Resources
 - Once every two years DFSC requests an overwhelming amount of PAS support OCONUS. Discussions of Corrective Actions with DFSC are ongoing, proposed actions include:
 - Pre-planning between DCMC/DFSC concerning surge requirements
 - DFSC change to internal PAS request procedures
 - Development of floating scale for days to complete PAS as issued by DFSC, based on volume of PAS requests issued during a specified timeframe

***Note:** The 48 PAS yet to be completed will show up as late in the Aug / Sep timeframe. This metric would have been 94% for the current period had it not been for these Into-Plane Preawards.

Business Plan Reference: None

DCMDI

Right Efficiency

[Mandatory Chart]



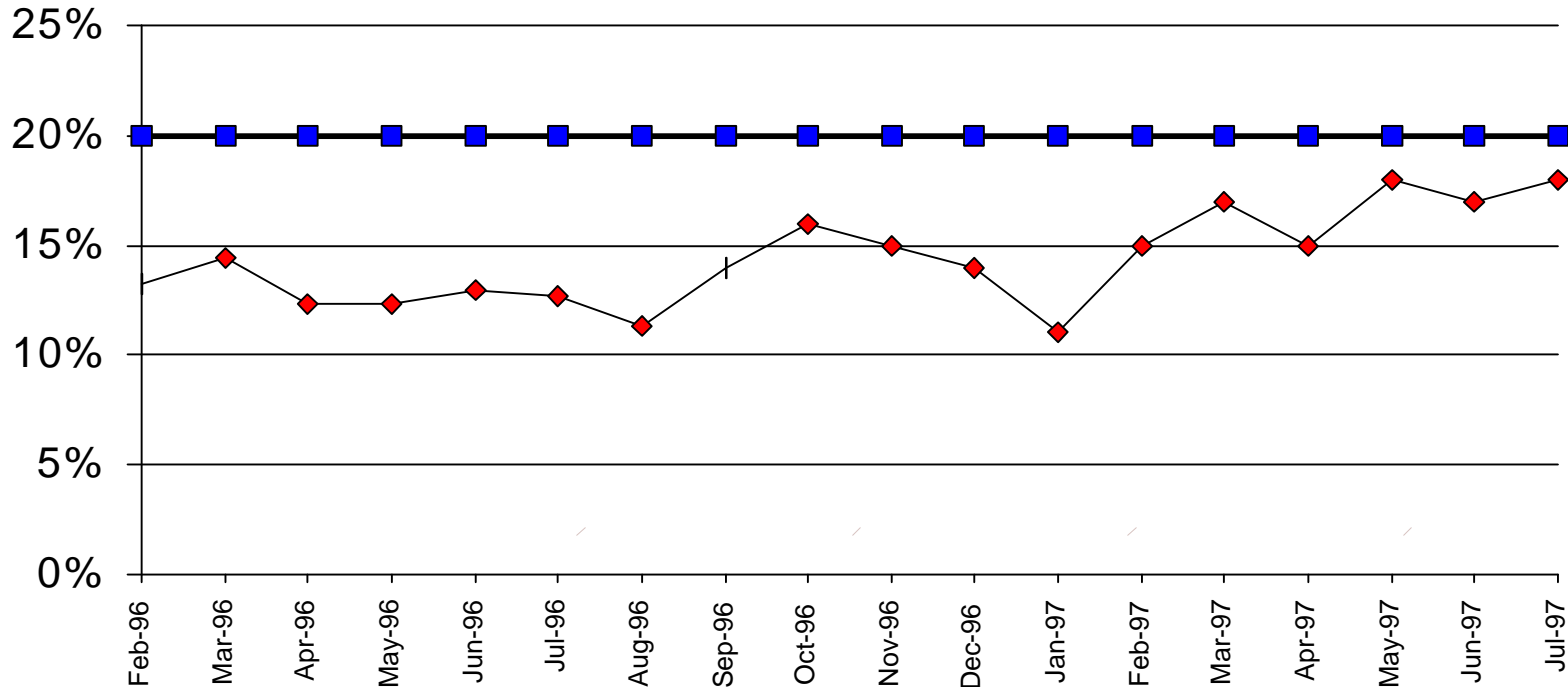
Contract Closeout

(Contracts Overage / Contracts Awaiting Closeout)

STATUS: **Green**



FY 97 Goal: < **20 %**



DCMDI

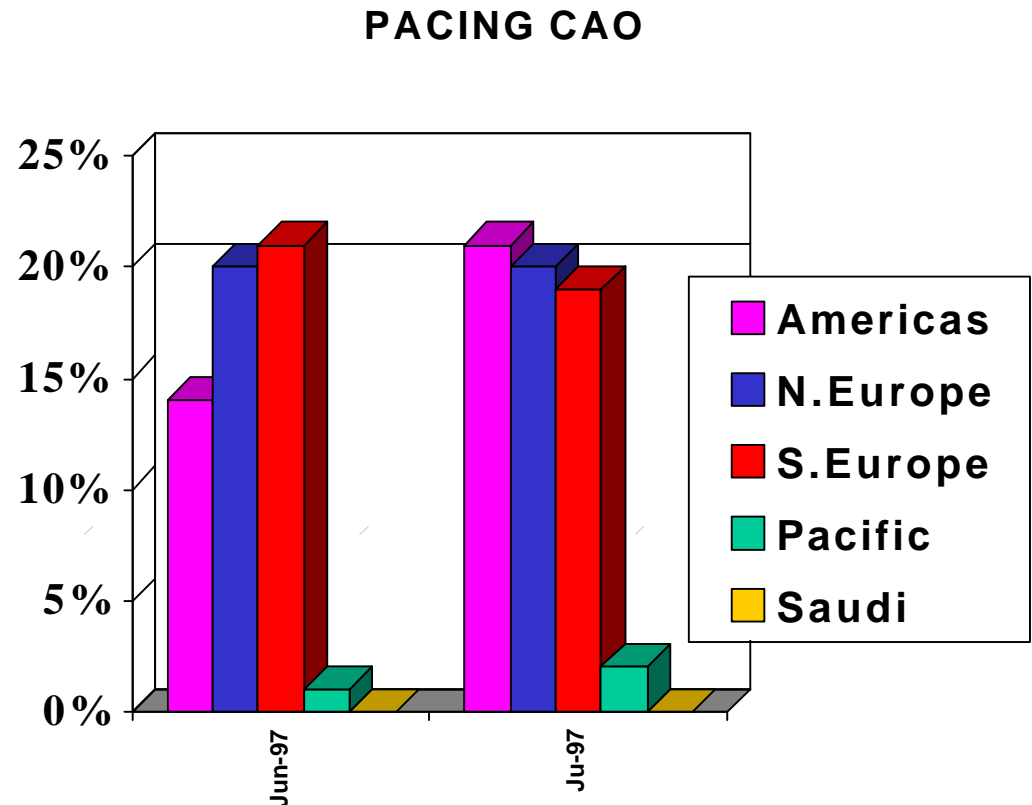
Right Efficiency

[Mandatory Chart] ✓

Contract Closeout

(Contracts Overage / Contracts Awaiting Closeout)

- July Data = 18%
- FY97 Goal = 20%
- Current Status: **GREEN**
- Backup Info: Number of overage contracts (357) divided by the Number of contracts awaiting closeout (1,937) or 18%.



Business Plan Reference: 1.3.1

Champion: Charlene Hammaker⁷¹

DCMDI

Right Efficiency

[Mandatory Chart]



Contract Closeout

(Contracts Overage / Contracts Awaiting Closeout)

Contract Close-out									
July Data : 18%									
FY 97 Goal = 20%									
Current Status									
Americas	K Overage	62		From bp shpdsht 48/156 for Jul 97					
	K Awtg CO	300	20.67%	verified by ACO 8/26/7 by phone					
NE	K Awtg CO	252							
	K Overage	1242	20.29%						
SE	K Overage	40		From 43 on bp spdsht to 40 overage					
	K Awtg CO	207	19.32%	contracts verified by SE (M.Saadeh) 8/25 email					
Pacific	K Overage	3							
	K Awtg CO	176	1.70%						
Saudi	K Awtg CO	0							
	K Overage	12	0.00%						
Total	K Overage	357							
	K Awtg CO	1937	18.43%						

Business Plan Reference: 1.3.1

Champion: Charlene Hammaker⁷²

DCMDI

Right Efficiency

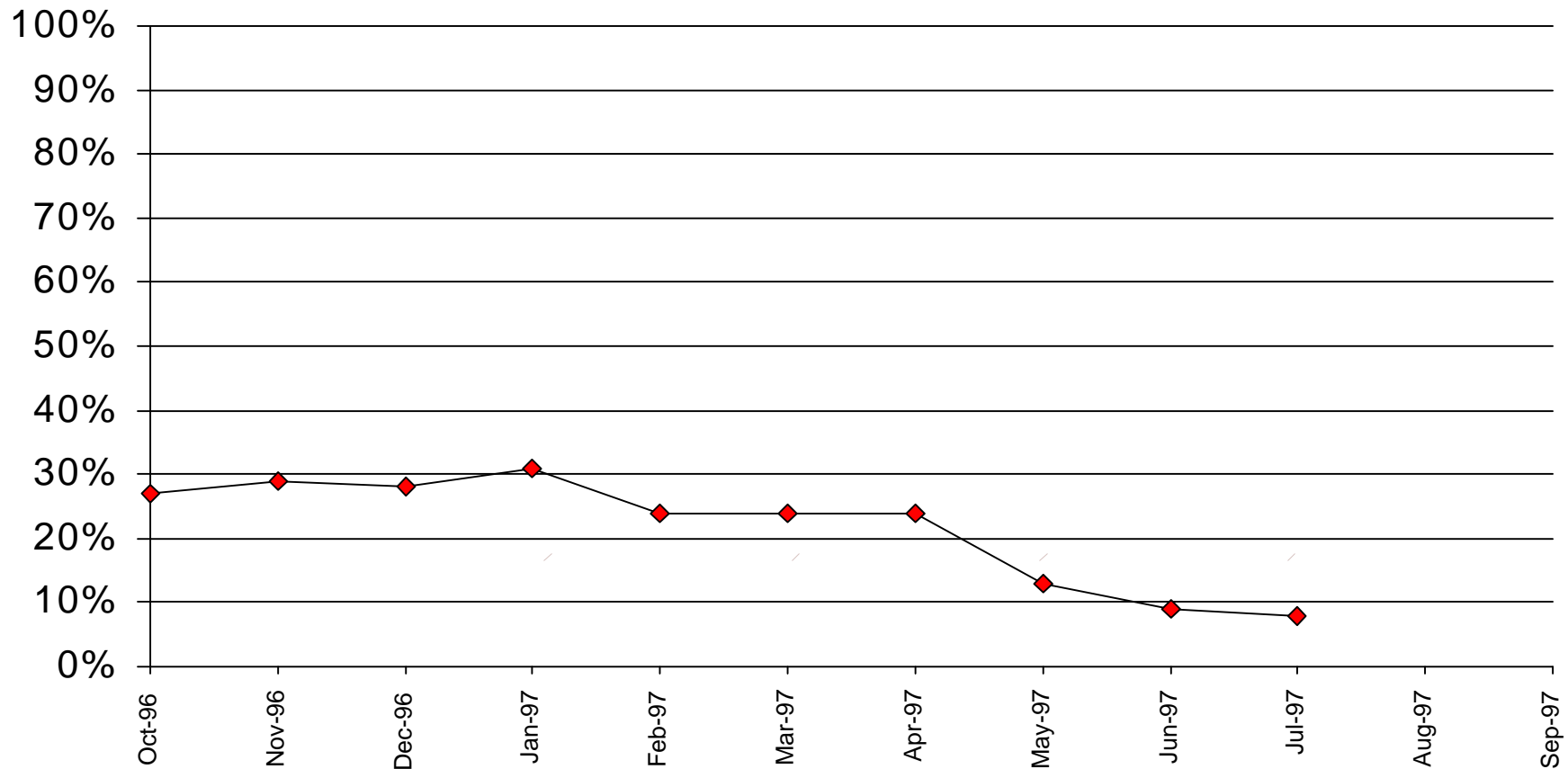
Termination Actions

(Dockets Overage / Total Dockets)

STATUS: **Yellow**



**FY 97 Goal: 0 Dockets with Termination
Date Prior to 1/1/95**



Business Plan Reference None

—◆— **DCMDI** —■— **Target**

DCMDI

Right Efficiency

Termination Actions

(Dockets Overage / Total Dockets)

- July Data = 11%
- August Data = 9%
- FY97 Goal = **0 Dockets w/Termination Date prior to 1/1/95**
- Current Status: **YELLOW**
- Backup Info: 34 Dockets; 4 Overage (> 2 Years)
 - **N Europe** has 18 Dockets; 1 Overage Docket
 - United Kingdom contractor has not submitted settlement proposal.
 - **Pacific** has 1 Overage Docket.
 - Philipines contractor under investigation for fraud by NIS.
 - **Americas** has 13 Dockets; 2 Overage Docket
 - Canada (CCC) Bristol Aerospace delay resulted in
No Cost Settlement Agreement issued Aug 97.
 - Puerto Rico T4C settlement reached. Mod pending DPSC finalizing
warranty issue and providing funding.

Business Plan Reference None

DCMDI Performance Improvement

1997 Business Plan - Performance Goals		Int'l
1.1.1	Continually improve process to help customers craft better contracts and make better contractor selections (EARLY CAS CHALLENGE) (briefed under Mission Rights)	Green
1.2.1	Increase the percentage of items (source inspected) conforming to product specifications (Right Item under Mission item #1)	Green
1.2.2	Improve by 5% over the FY 96 baseline, the number of contract line items delivered to the original delivery schedule (Right Time under Mission item #2)	N/R
1.2.3	Increase overall DCMC ROI by 10% over the FY 96 baseline (Right Price under Mission item #3)	Green
1.3.1	Continually improve all facets of the contract close-out process (Targets=Less than 5%/20% overage contracts for those with/without canceling funds respectively (Right Efficiency under Mission item #6A)	Green
2.1.1	Incrementally expand JLC Acquisition Pollution Prevention Initiative to additional contractor sites	N/A
2.1.2	Establish/maintain/improve surveillance process to sense/satisfy customer needs (DELIVERY DELINQUENCIES CHALLENGE) (Right Time under Mission items # 2A-2G)	N/A
2.1.3	Continue to identify/define and implement actions necessary to ensure that DCMC is positioned to remain a key player in the DoD acquisition process in the 21st century	N/A
2.1.4	Improve the effectiveness and efficiency of all our communication efforts (INTRA-DCMC COMMUNICATIONS CHALLENGE)	Green

DCMDI Performance Improvement (Con't)

1997 Business Plan - Performance Goals

Int'l

- | | | |
|-------|--|-------|
| 2.1.5 | Continually improve/enhance organization & processes that deliver
quality products/services (INTERNAL PROCESS CHALLENGE) | Green |
| 2.1.6 | Support info technology initiatives by deploying 90% of projects in the ARM plan
on schedule (INFORMATION TECHNOLOGY CHALLENGE) | NR |
| 2.1.7 | Develop/deploy small quantity of outcome-oriented performance measures which best | Green |
| 2.1.8 | Package DCMC-wide data for the customer in a comprehensive, timely,
and user-friendly manner (PACKAGING DCMC DATA CHALLENGE) | Green |
| 2.2.1 | Use the results of Performance Based Staffing Assessment to better
structure and utilize the workforce | Green |
| 2.3.1 | Improve mission and support processes by conducting USA and management
control reviews; incorporate areas for improvement into the planning process | Green |
| 2.3.2 | Assess organizational performance through the accomplishment of
30 IOAs during FY 97 | N/A |
| 2.3.3 | Continue those benchmarking projects started in FY 96 | N/A |
| 2.3.4 | Explore the use of Alternate Oversight approaches and other
methods to enhance operational efficiency at various CAO locations | N/A |
| 2.3.5 | Refine Internal Assessment (INTERNAL ASSESSMENT CHALLENGE) | N/A |

DCMDI Performance Improvement (Con't)

1997 Business Plan - Performance Goals

Int'l

- | | | |
|-------|---|--------|
| 3.1.1 | Reduce facilities costs - bring footage of office space into compliance
with DLA standard - move offices from leased space into DoD space | NR |
| 3.1.2 | Reduce number of high grade positions (14/15/SES) by 4% DCMC-wide | Green |
| 3.1.3 | Increase civilian supervisory ratio to 13:1 | Green |
| 3.1.4 | Implement Unit Cost Management (UNIT COST MANAGEMENT) | Yellow |
| 3.2.1 | Develop and implement an integrated planning, programming, budgeting,
execution, and assessment management system. | Green |
| 3.3.1 | Improve work environment to enhance employees' well being, productivity | Green |
| 4.1.1 | Maintain overall customer satisfaction level greater than 4.0
(Right Reception under Mission item #5B) | Green |
| 4.1.2 | Field activities continue to solicit customer satisfaction information
via Trailer Cards (Right Reception under Mission item #5C) | Green |
| 4.2.1 | Implement risk management in the reimbursable budget process and improve forecasting,
reporting, and billing procedures and processes | Green |
| 5.1.1 | Establish, maintain and improve a strategic workforce development
system that addresses current and future skills needed to satisfy customer
requirements (WORKFORCE SKILLS CHALLENGE) (Right Talent under Mission item #7) | Green |
| 5.2.1 | Improve labor management relations within DCMC | Green |

Performance Topic

DCMDI Performance Improvement Goal 3.1.4

Implement Unit Cost Management

Status: Yellow



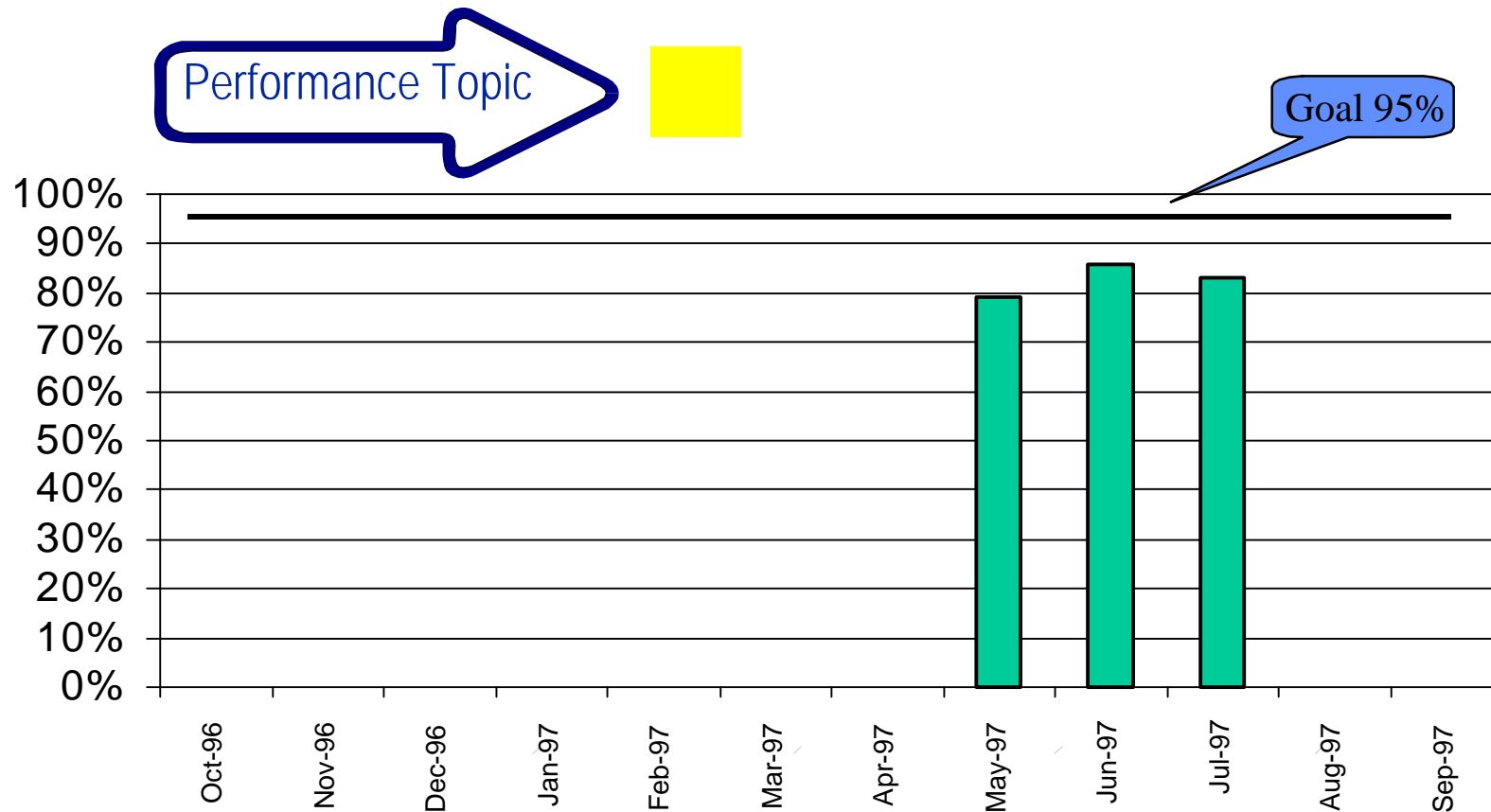
Comments: ...Achieve and maintain a PLAS usage rate of 95 % ...

- DCMDI expects to achieve the 95 % goal by year end.
- Hardware, connectivity and organizational restructuring issues have been the major impact in the International environment.
- Consolidation of Israel with S. Europe and Puerto Rico with Americas in progress.

Business Plan Reference: 1.2.1

DCMDI Performance Improvement Goal 3.1.4

PLAS Usage



Business Plan Reference: 3.1.2

PLAS Usage to Hrs Paid

LOCATION	Paid Hours	PLAS Hours	% of Paid Hours in PLAS
Americas	20018	11365	57%
Northern Europe	17595	18375	104%
Southern Europe	23309	20571	88%
Saudi Arabia	17105	11902	70%
Pacific	17605	16827	96%
District - HD	2856	2085	73%
District - HM	2366	2901	123%
District - HO	4445	3887	87%
District - HX	1288	1104	86%
District (less Centers)	95632	79040	83%
Assessment Center	6317	1882	30%
Overhead Center	7921	5925	75%
SPI Center	547	512	94%
Intern Center			
Centers'	14785	8319	56%
International Total	110417	87359	79%
NOTES:			
America is low due to Puerto Rico July data not in system. August conversion should remedy the problem.			
Saudi data experienced a drop due to missing Kuwait and Egypt data which is manually input. This data was input late due to manpower shortages and is not expected to reoccur.			
Assessment Center low due to Manassas and Los Angeles employees not being able to access the PLAS system. Chicago is working with us to fix the access problems. Missing hours equate to a total of 3696 hours (22 x 168) which would bring the Assessment Center up to 95 %.			
Southern Europe data is expected to improve once Turkey obtains appropriate comm lines at the end of Aug. With the addition of these numbers, they would be at 96%.			

DCMDI

“Good News”

September 1997

DCMIDI

ALERTS Installation in DCMIC Americas

SCE in Northern Europe

DCMIC Kuwait receives letter from Kuwait Ministry of Defense to act as the preferred US DoD Contract Administration office in the State of Kuwait.

• Strong Texan - DCMIC Malaysia: As a result of close coordination with DRMO, various Malaysian Government offices, US State Department and the Environmental Protection Agency, after two years of intense efforts Hazardous Wastes from the C130 Maintenance & Overhaul facility, AIROD, were successfully retrograded to the US on US Flag ship the “Strong Texan” this past month.

DCMC

Monthly Management Review

DCMDE





Resource Management

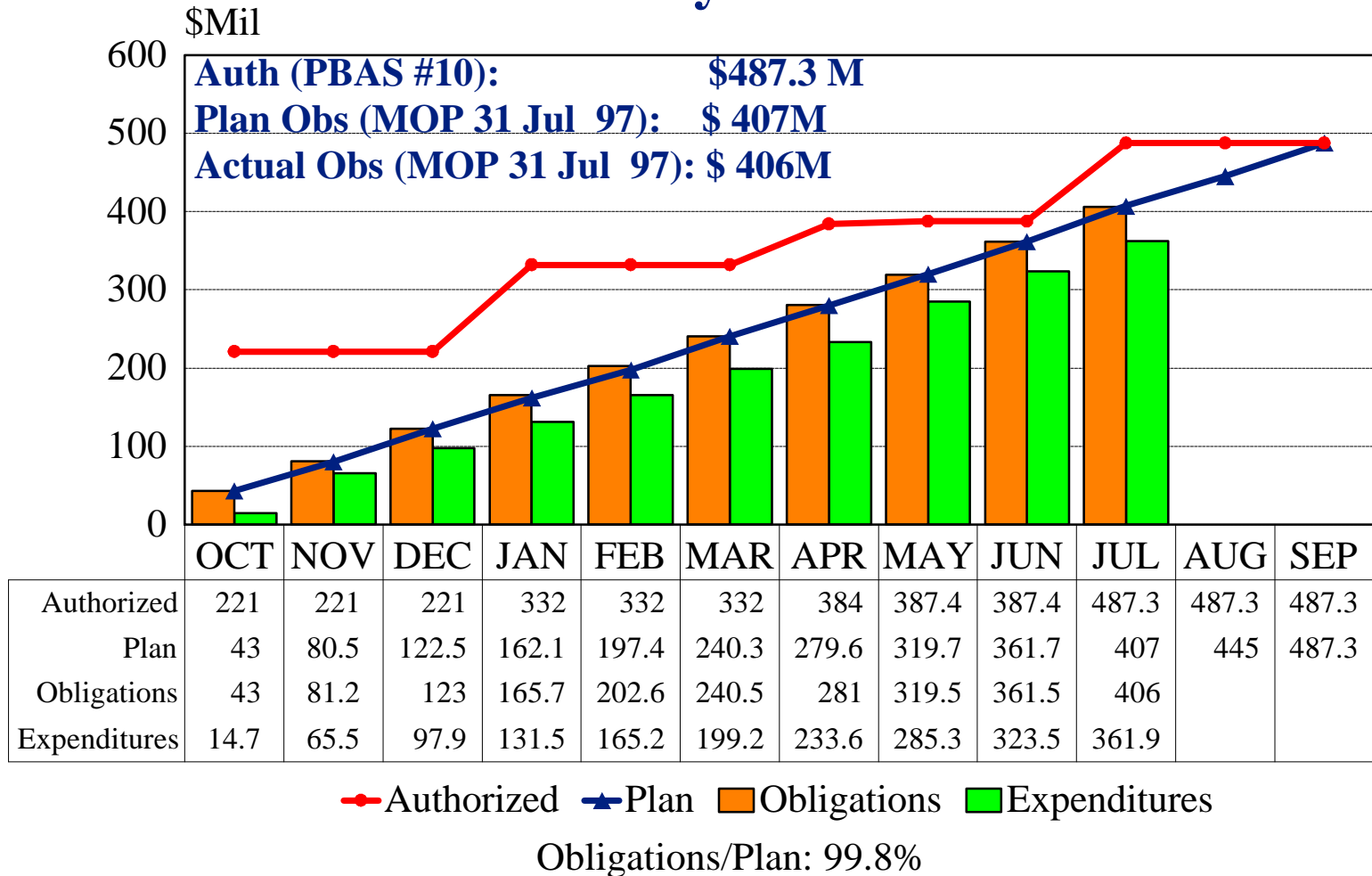
Jul 97 data

DCMDE

Business Performance Metric	East
• Budget Execution	
• Total Summary	Green
• Direct	Green
• Reimbursable	Red
• Manpower	
• Total (FTE Execution)	Red

FY97 DCMDE Execution a/o 31 Jul 97

Summary Chart



Budget Execution A/O 31 Jul 97

Summary Chart

Status: Green  Obligations/Plan = \$406 / 407 = 99.8%

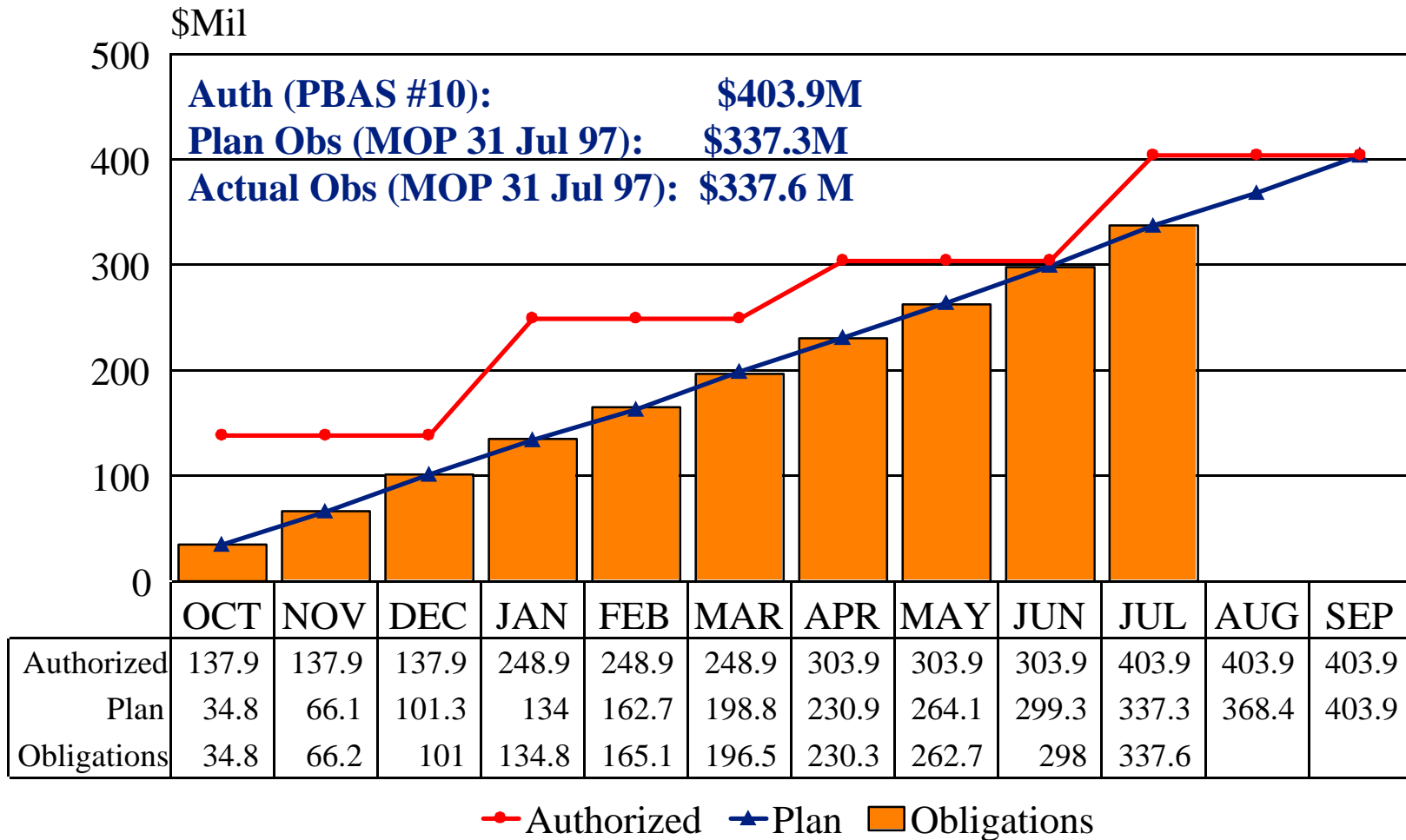
Comments:

- Obligations are within quarterly authorization of \$487.3, under plan by \$1M.

FY97 DCMDE Execution

a/o 31 Jul 97

Direct Dollars



Obligations/Plan: 100.1%

Budget Execution A/O 31 Jul 97

Direct Chart

Status: Green  Obligations/Plan = \$337.6/337.3M = 100.1%

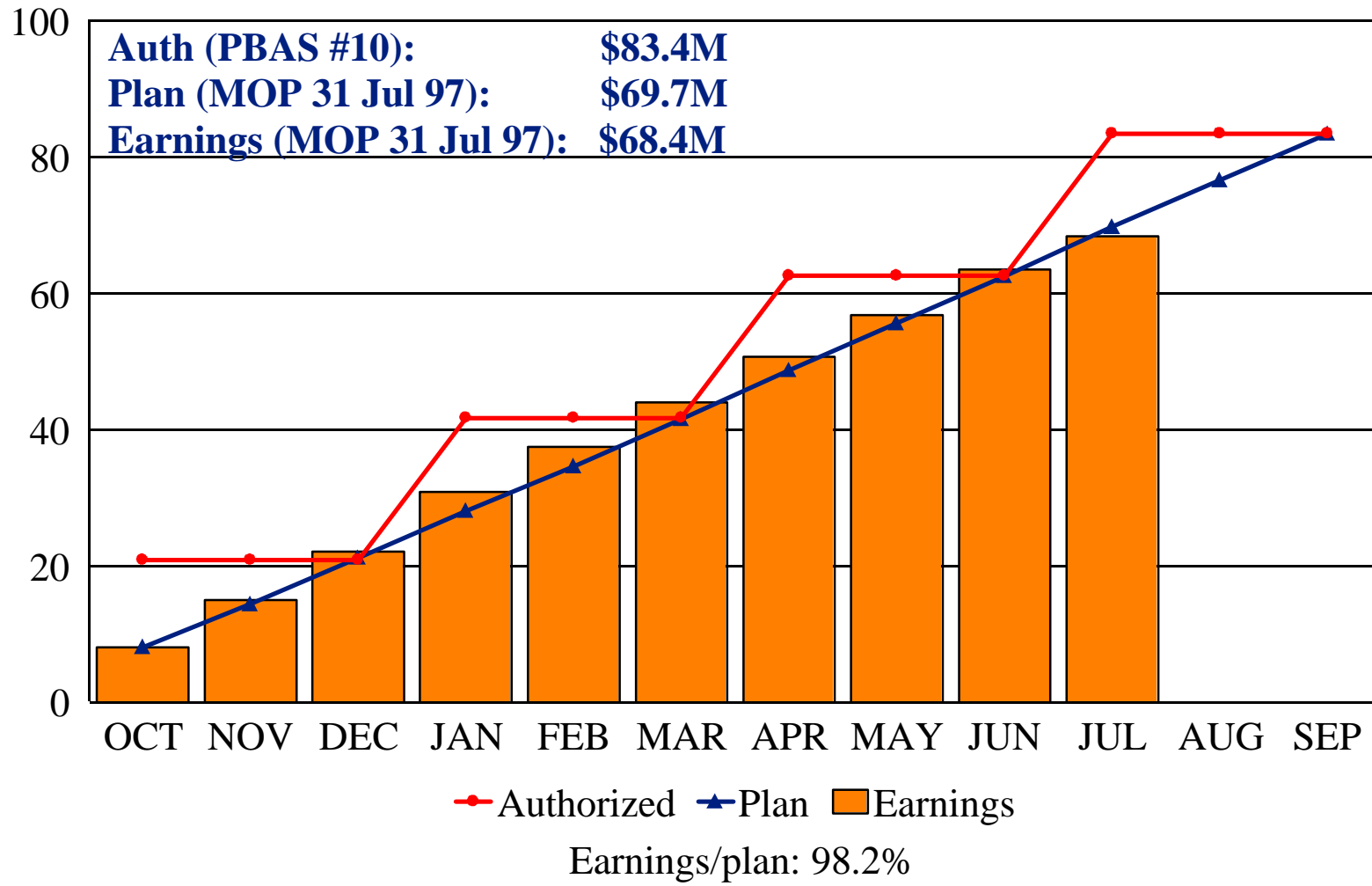
Comments:

- Obligations are within authorization of \$403.9M, over plan by \$.3M.

FY97 DCMDE Execution

a/o 31 Jul 97

Reimbursables



Budget Execution A/O 31 Jul 97

Reimbursables

Status: Red

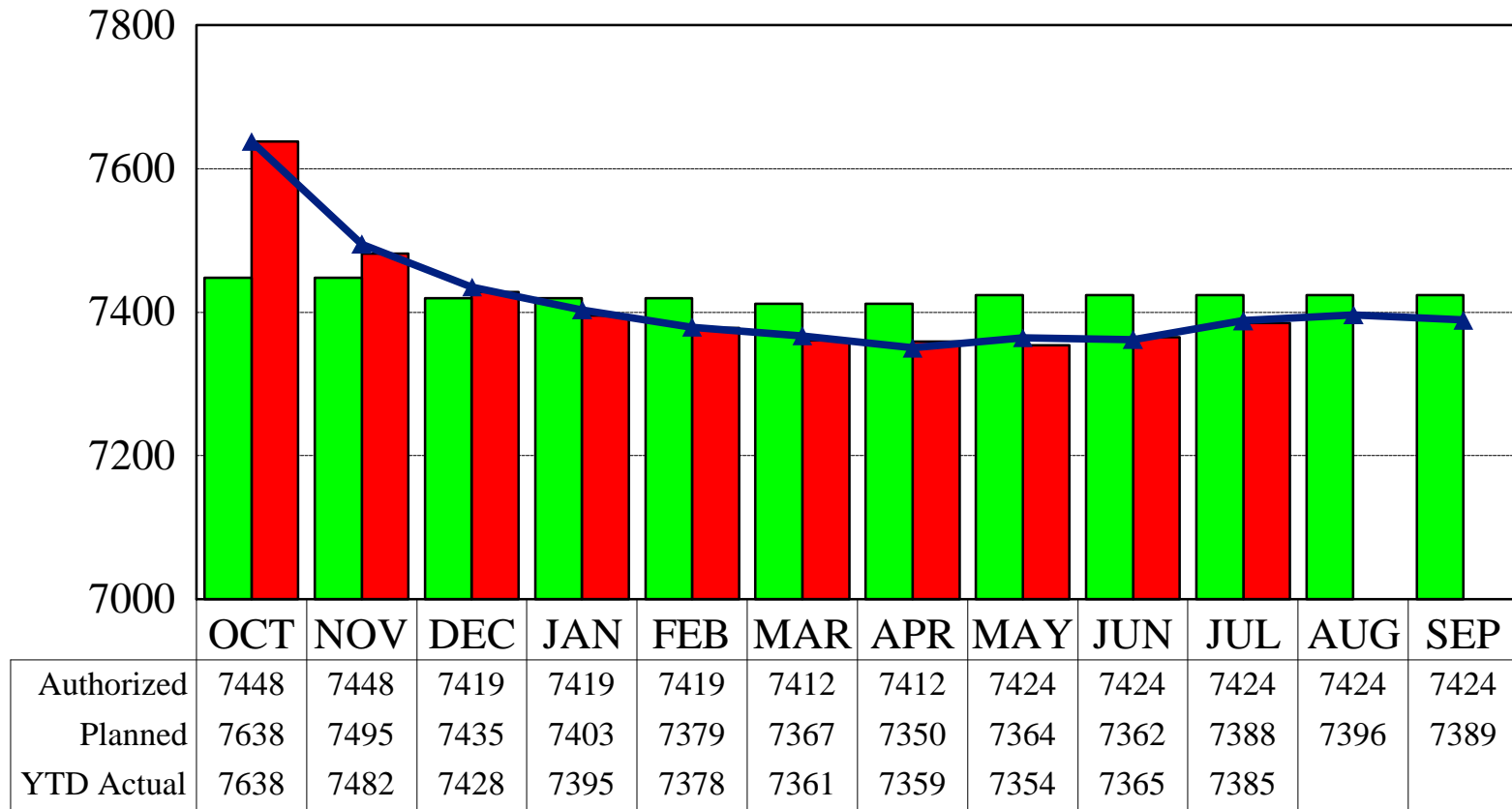


Earnings / Plan = \$68.4 / \$69.7M = 98.2%

Comments:

- o July earnings \$4.9M; FYTD \$68.4M vs Plan \$69.7M.
- o FYTD earnings at 98.2%; includes \$1.2M downward adjustment.
- o 7 Aug 97 FAD revised FY97 goal from \$83.4M to \$81.4M.
 - oo This action will cut shortfall from \$2.5M to \$.5M.

FY97 DCMDE FTE Execution a/o 31 Jul 97



■ Authorized
 ▲ Planned
 ■ YTD Actual

Actual/Plan: 100 %

FTEs Execution

a/o 31 Jul 97

Status: Red



FY97 FTEs Goal = 7424

Comments:

- o Actual FYTD was 7385 vs Plan 7388, for a variance of -3.
- o Monthly losses were greater than expected, 28 vs 19 planned.
- o Current projection indicates we could miss our goal by 35.

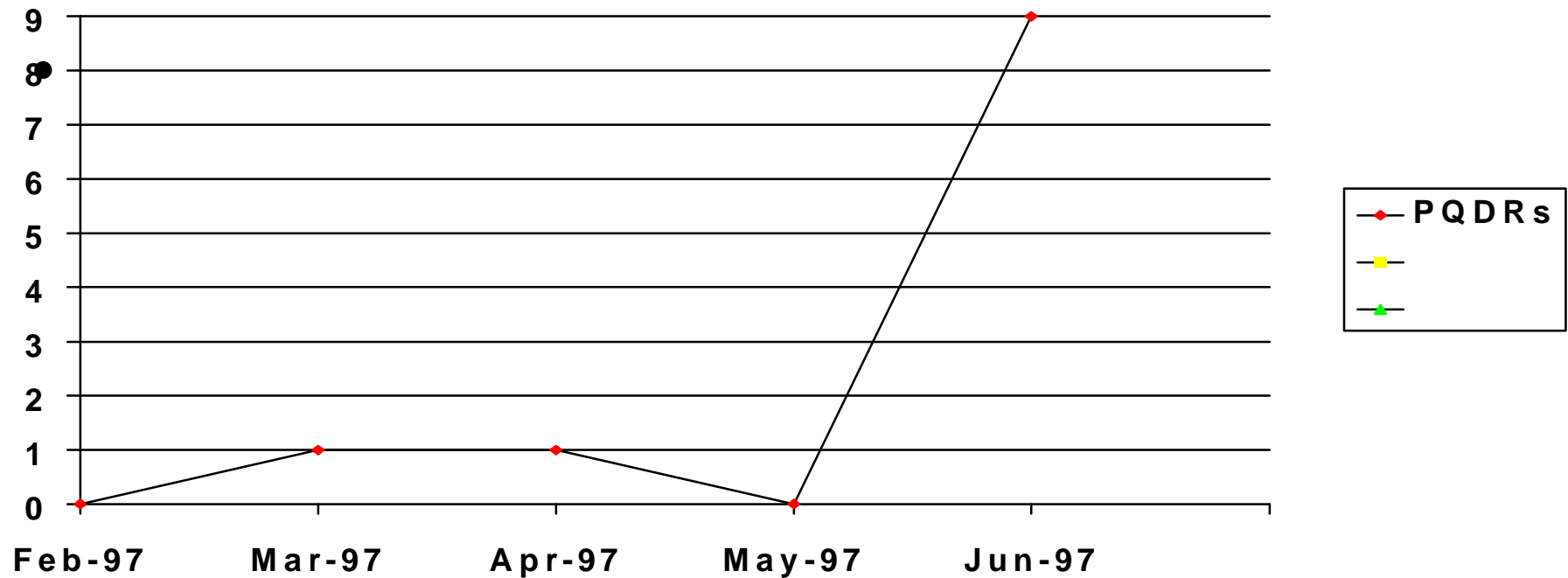
Performance Metric	DCMD East
Right Item - Conforming Items	N/R (Special Topic)
Design Defects (ECPs & W/Ds)	YELLOW
Customer Priority List (CPL) Coverage	YELLOW
UCA Definitization	RED
Open Overhead Negotiations	RED (Special Topic)
Canceling Funds (TBD)	RED
Termination Actions (4.1.2.)	RED
Unreconcilable Contracts	RED (Special Topic)

RIGHT ITEM Conforming Items

Usable Lab Tested Items/# Lab Tested X 100

STATUS: ☐ N/R

FY97 Goal: None



RIGHT ITEM
Conforming Items

Usable Lab Tested Items/# Lab Tested X 100

STATUS: ☐ N/R

FY97 Goal: None

- DCMC Hartford 3 Failures (PQDRs)
 - All three with one contractor and same type item
 - Nonresident facility
 - PQDRs are valid
 - Hardness problem
 - Contractor performed hardness testing but did not record on certification

RIGHT ITEM
Conforming Items

Usable Lab Tested Items/# Lab Tested X 100

STATUS: ☐ N/R

FY97 Goal: None

- DCMC Philadelphia - 3 Failures (PQDRs)
 - 2 @ Derbyshire Machine
 - Nonresident facility
 - 1 PQDR for dust
 - 1 PQDR for scratches
 - both caused by the same vendor
 - PQDRs are valid
 - Ktr has taken corrective action

RIGHT ITEM
Conforming Items

Usable Lab Tested Items/# Lab Tested X 100

STATUS: ☐ N/R

FY97 Goal: None

- DCMC Philadelphia - 3 Failures (PQDRs) con't
 - 1 PQDR @ Transcoil - Resident facility
 - Exhibit received Aug 22
 - Dimensional problem
 - Under investigation, Ktr reply by Sep 19

RIGHT ITEM
Conforming Items

Usable Lab Tested Items/# Lab Tested X 100

STATUS:

N/R

FY97 Goal: None

- DCMC Cleveland 1 Failure (PQDR) @ Marc Avenue Corp.
 - Resident facility
 - PQDR received 9/3/97

RIGHT ITEM
Conforming Items

Usable Lab Tested Items/# Lab Tested X 100

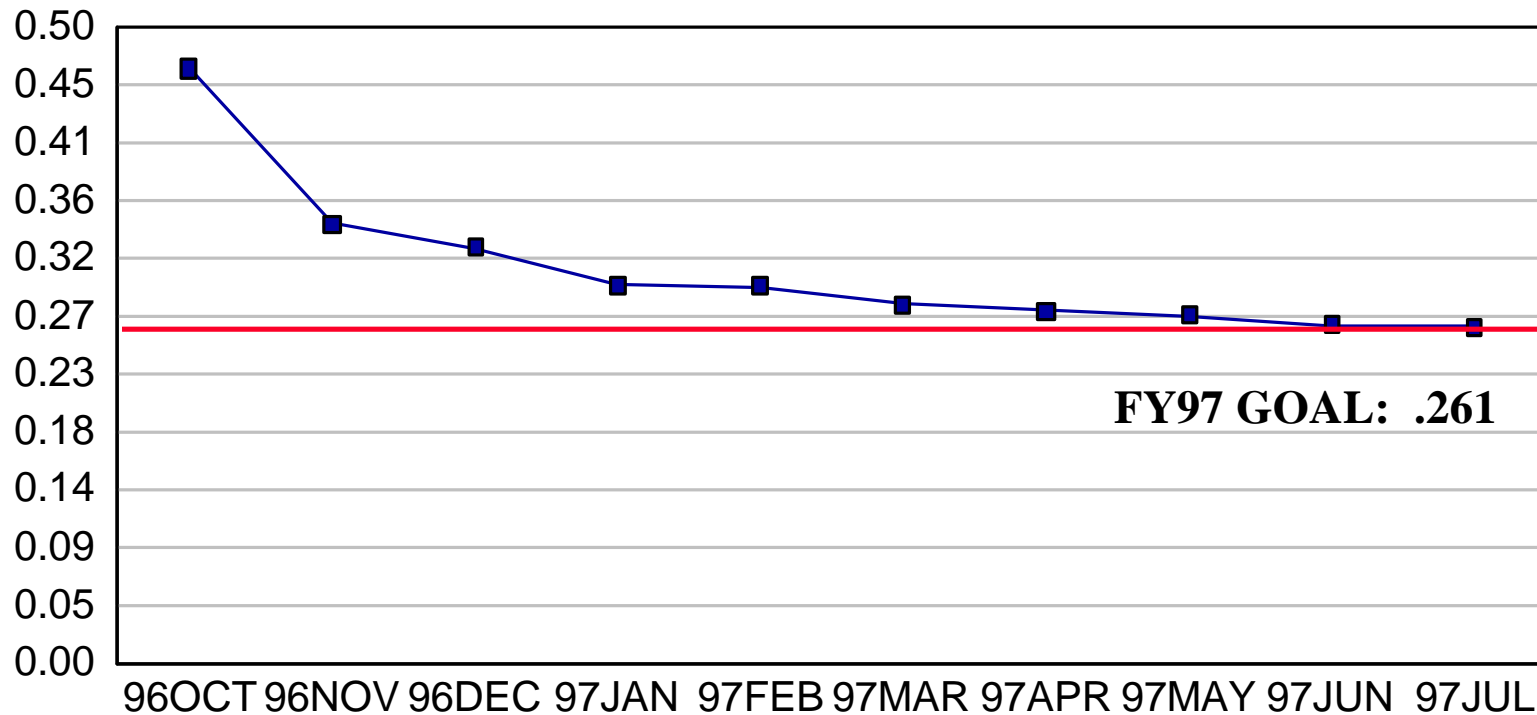
STATUS: ☐ N/R

FY97 Goal: None

- DCMC Birmingham 2 Failures (PQDRs) @ GMJ Machine Co.
 - The PQDRs are both for the same type item on the same contract
 - PQDRs are valid
 - Ktr has agreed to replace

RIGHT ITEM
DESIGN DEFECTS
DESIGN DEFECTS PER 1000 KTS
CUMULATIVE AVERAGE

MAJOR/CRITICAL RFWs & RFDs PER 1000 KTS



Design Defects Waivers and Deviations

Major/Critical Waivers & Deviations / Number of Contracts Times 1000

STATUS:

YELLOW

FY 97 GOAL: 0.261 M/C W&Ds / 1K Contracts

Monthly Activity

- FY 97 Actual: 0.27 W&Ds per 1K Contracts
- July 1997: 0.288 M/C W&Ds Per 1K Contracts
 - 67 Major/Critical W&Ds Processed During July 1997
 - Activity from 18 CAOs
 - 8 CAOs Account for 75% (50) of W&Ds

DCMDE

RIGHT ITEM

Design Defects Waivers and Deviations

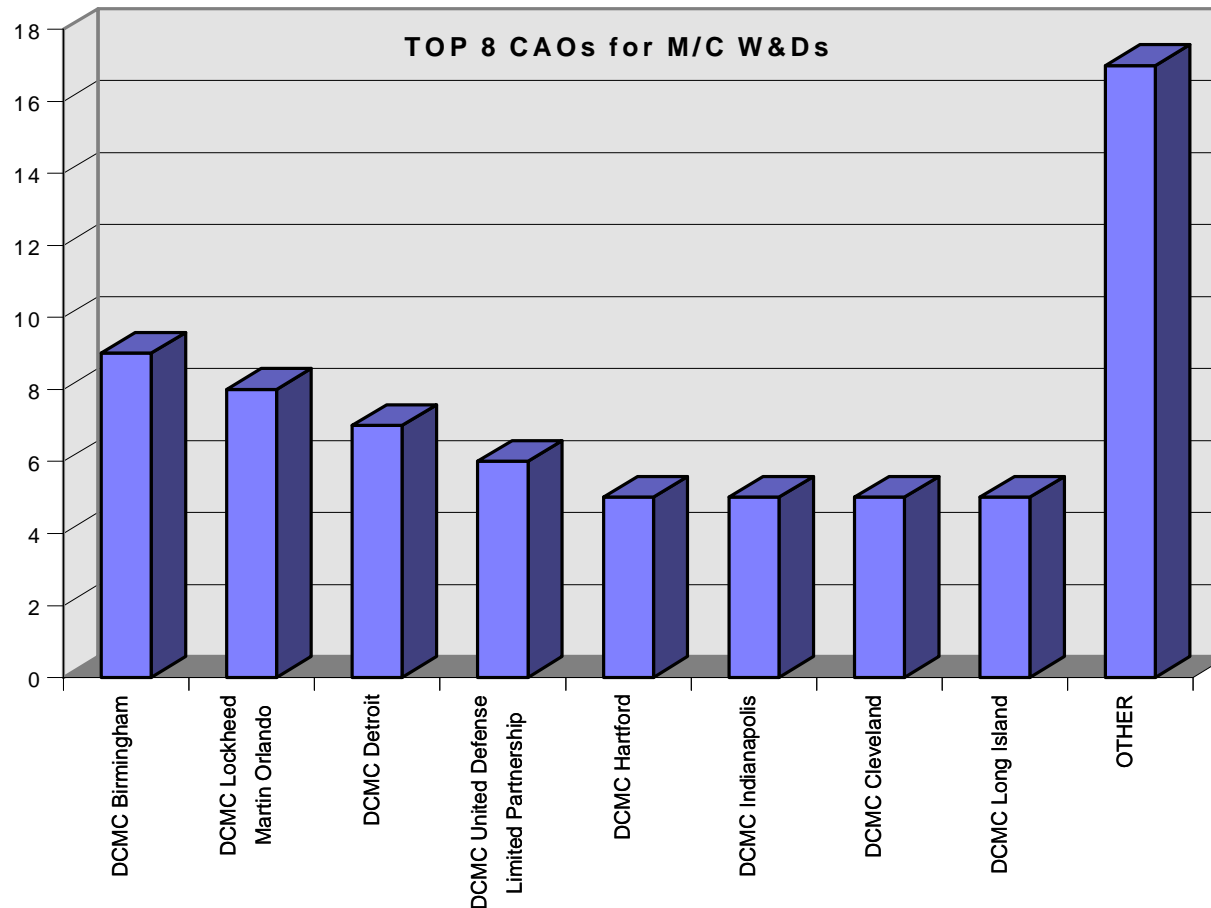
Major/Critical Waivers & Deviations / Number of Contracts Times 1000

STATUS:



YELLOW

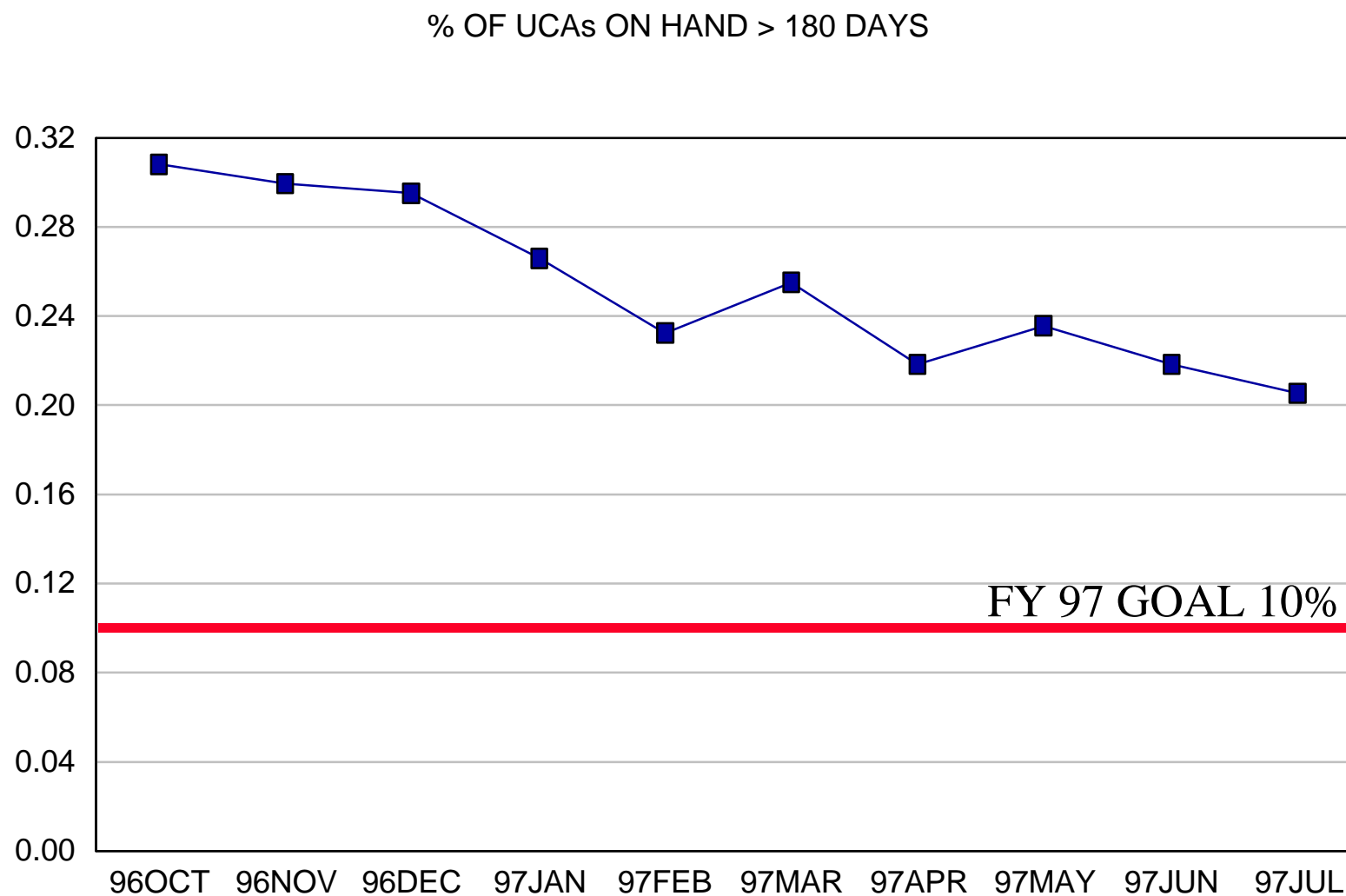
FY 97 GOAL: 0.261 M/C W&Ds / 1K Contracts



Business Plan Reference 1.2.1.1

DCMDE

**RIGHT PRICE
UCA DEFINITIZATION
% OF UCAs ON-HAND > 180 DAYS**



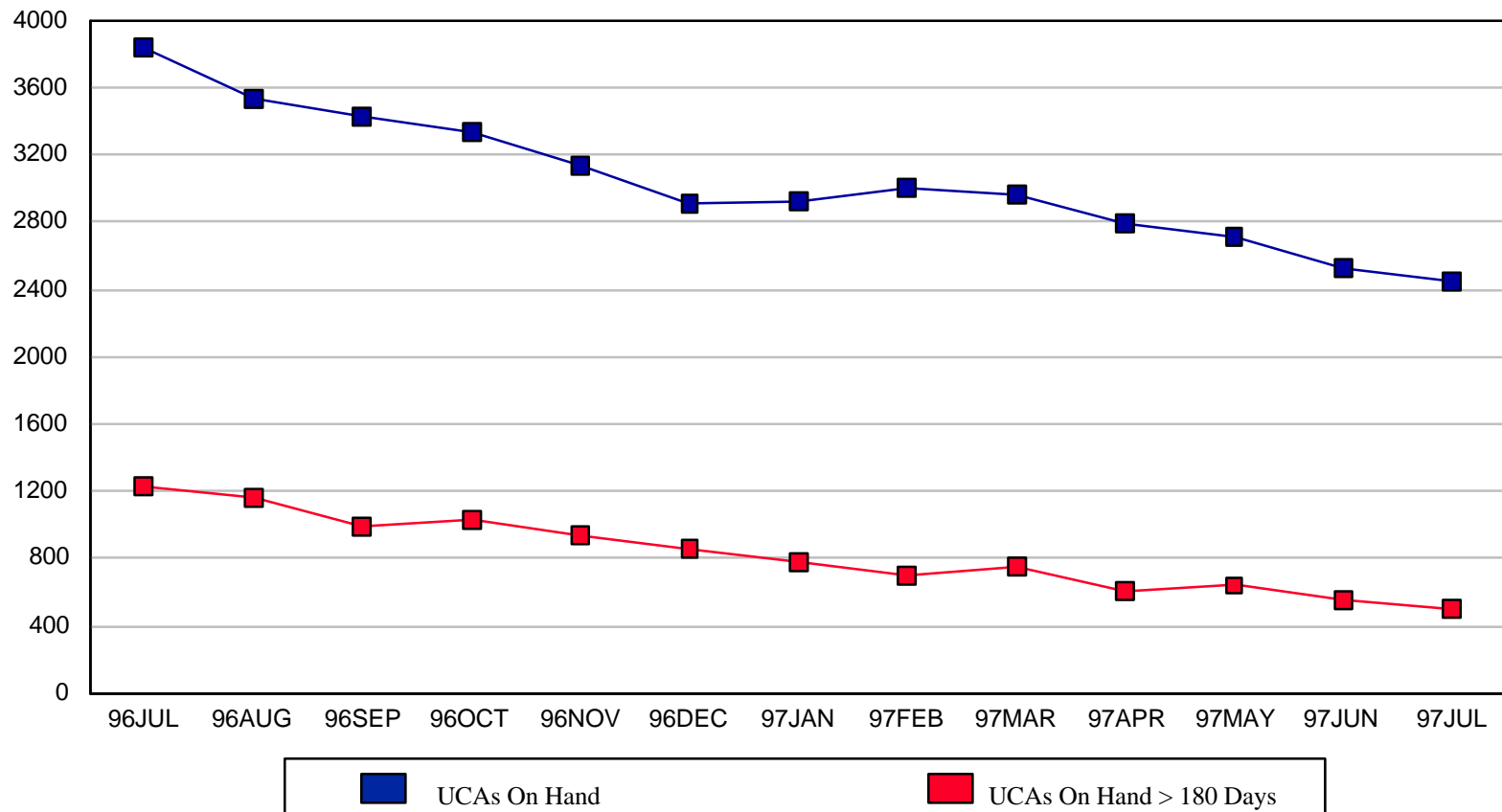
DCMDE

**Right Price
UCA Definitization
(% of UCAs On-Hand > 180 Days)**

STATUS: ■ **RED**

FY97 Goal: 10%

UCAs on Hand and UCAs on Hand > 180 Days



DCMDE

Right Price
UCA Definitization
(% of UCAs On-Hand > 180 Days)

STATUS:  **RED**

FY97 Goal: 10%

o Jul 97 Overage - 20.6% (503/2445). Top ~~Ten~~ ^(Four) CAOs with 60.1%

o Total Undefined UCA \$'s (000's)

<u>Army</u>	<u>Navy</u>	<u>Air Force</u>	<u>Other</u>	<u>Total</u>
\$18,026	\$601,129	\$204,083	\$1,036	\$824,274

o Total Overage Undefined UCA \$'s (000's)

<u>Army</u>	<u>Navy</u>	<u>Air Force</u>	<u>Other</u>	<u>Total</u>
\$325	\$184,129	\$184,454	\$ 123	\$369,031

o Percentage of Overage Dollars: 44.7%

o Top ~~Ten~~ ^(Four) CAO's: Percentage of Overage Dollars: 53.8%

Business Plan Reference: N/A¹⁰⁵

DCMDE

**Right Price
UCA Definitization
(% of UCAs On-Hand > 180 Days)**

STATUS:



RED

FY97 Goal: 10%

District Staff Actions:

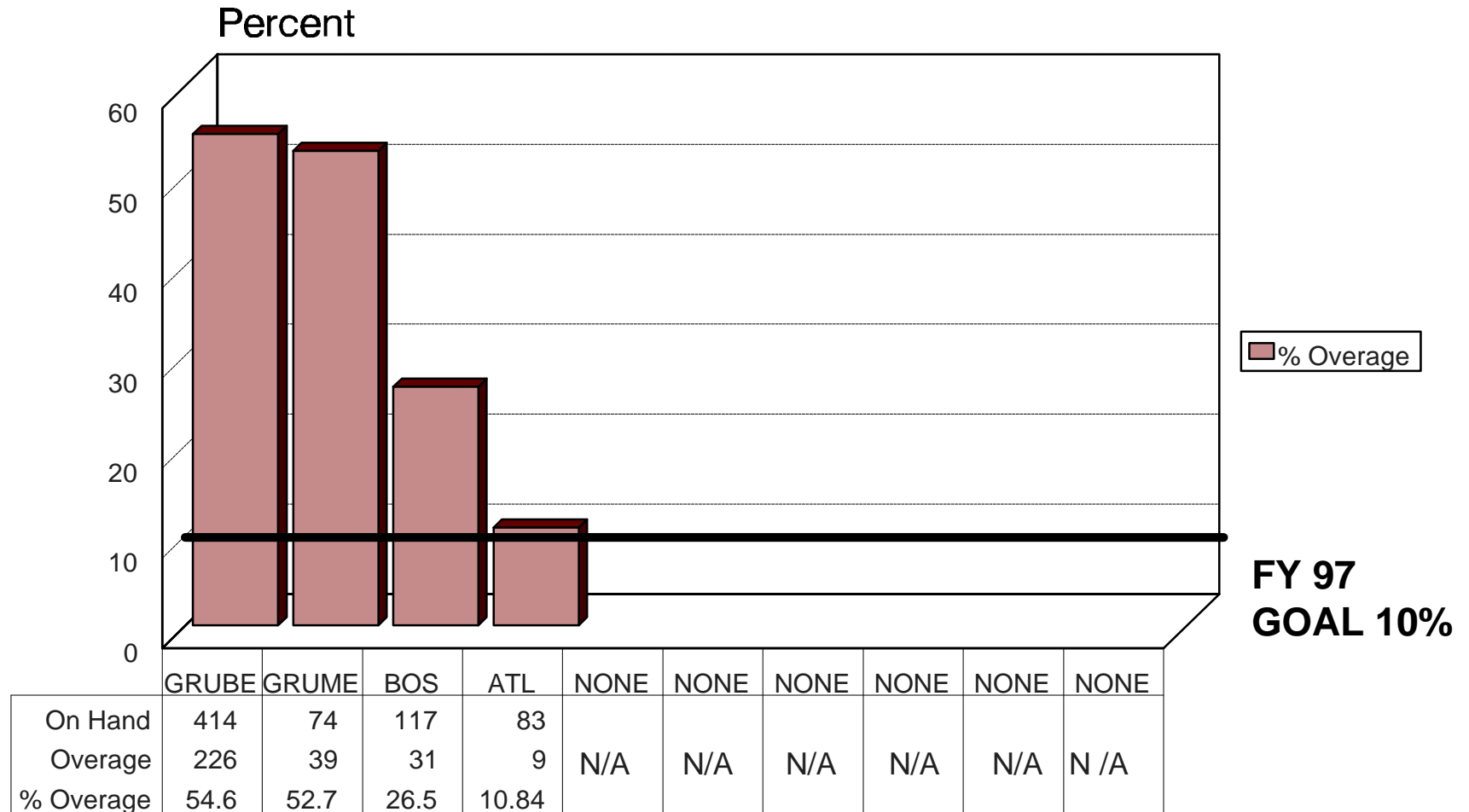
- o District POC continues to explore with DPSC the initiative of bulk funding for C & T size changes and destination diversion Change Orders.

- o District POC researching recent agreement between DCMC Orlando and NAVICP regarding receipt of repairables. This agreement states that if repairables are not received within 45 days of order date, that portion of the order will be canceled by PCO.

Business Plan Reference: N/A⁰⁶

OVERAGE UNDEFINITIZED CONTRACTUAL ACTIONS (UCAs)

DCMDE TOP TEN CAOs (FY97 GOAL: 10%)
FOUR



FOUR

NOTE: TOTAL TOP TEN 305/OVERAGE DISTRICT 503=60.1%

DCMDE

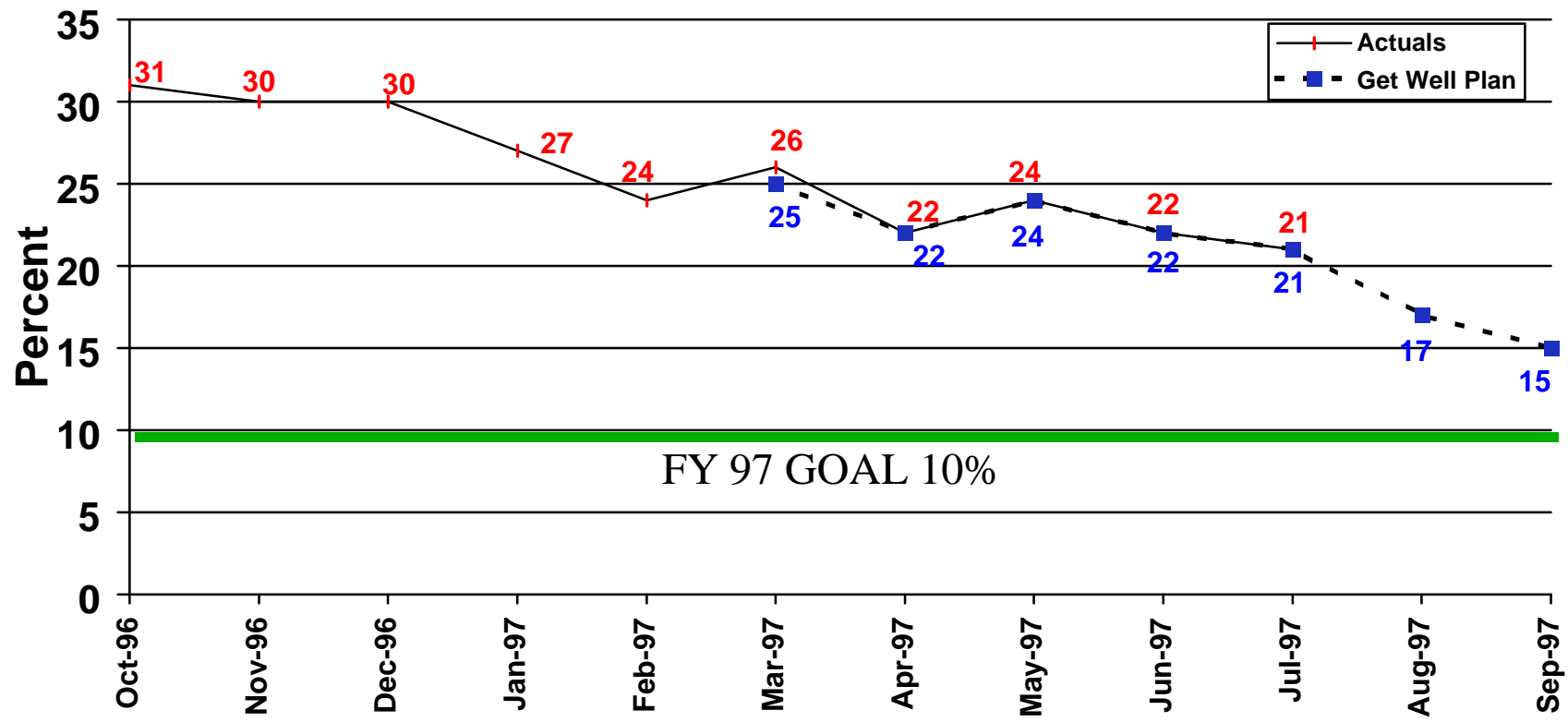
Right Price UCA Definitization UCA GET WELL PLAN

STATUS:



RED

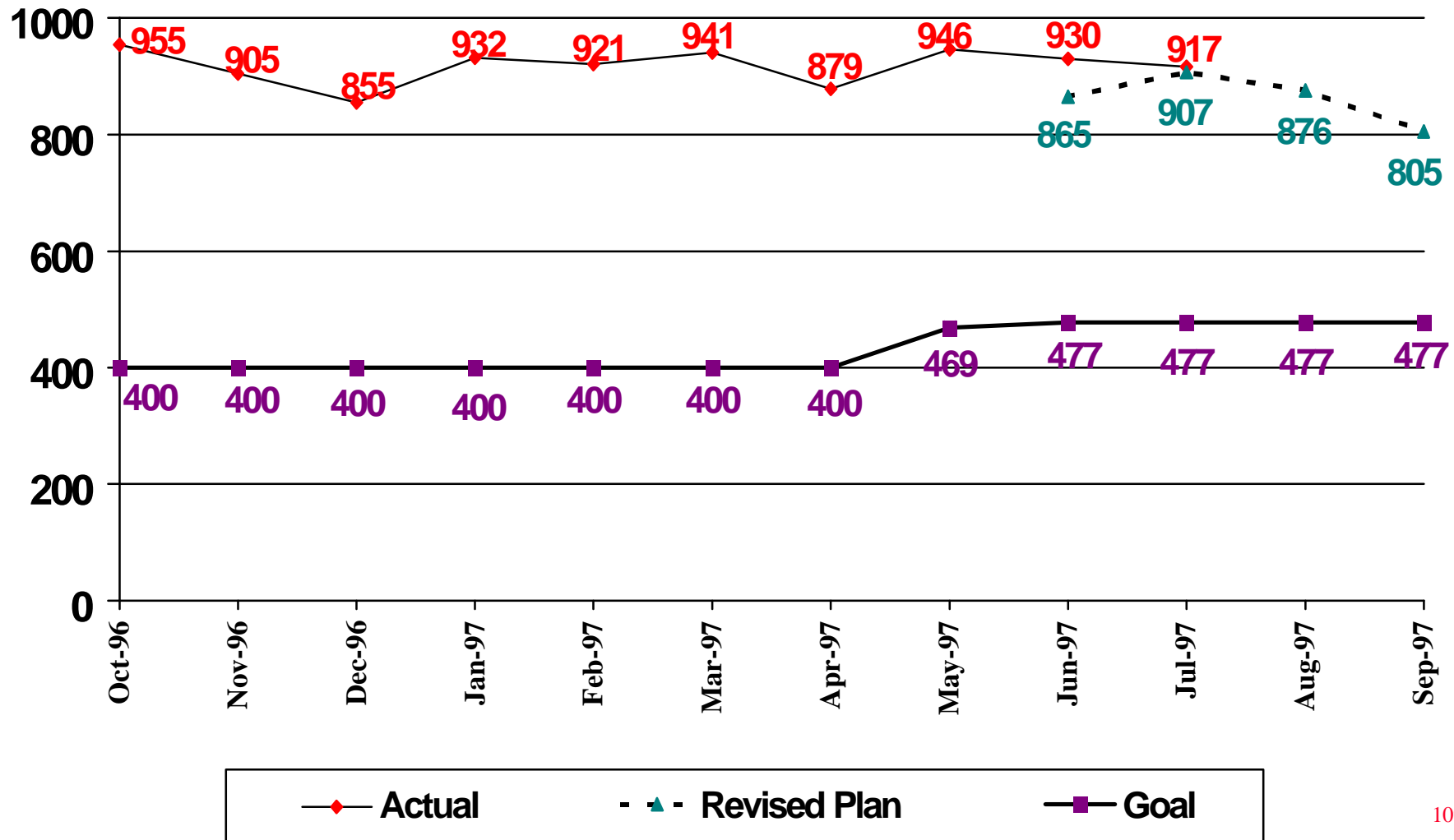
FY97 Goal: 10%



Right Price

Open Overhead Negotiations (4.4.1)

OVERHEAD NEGOTIATION BURNDOWN PLAN



Open Overhead Negotiations (4.4.1)

STATUS:  RED

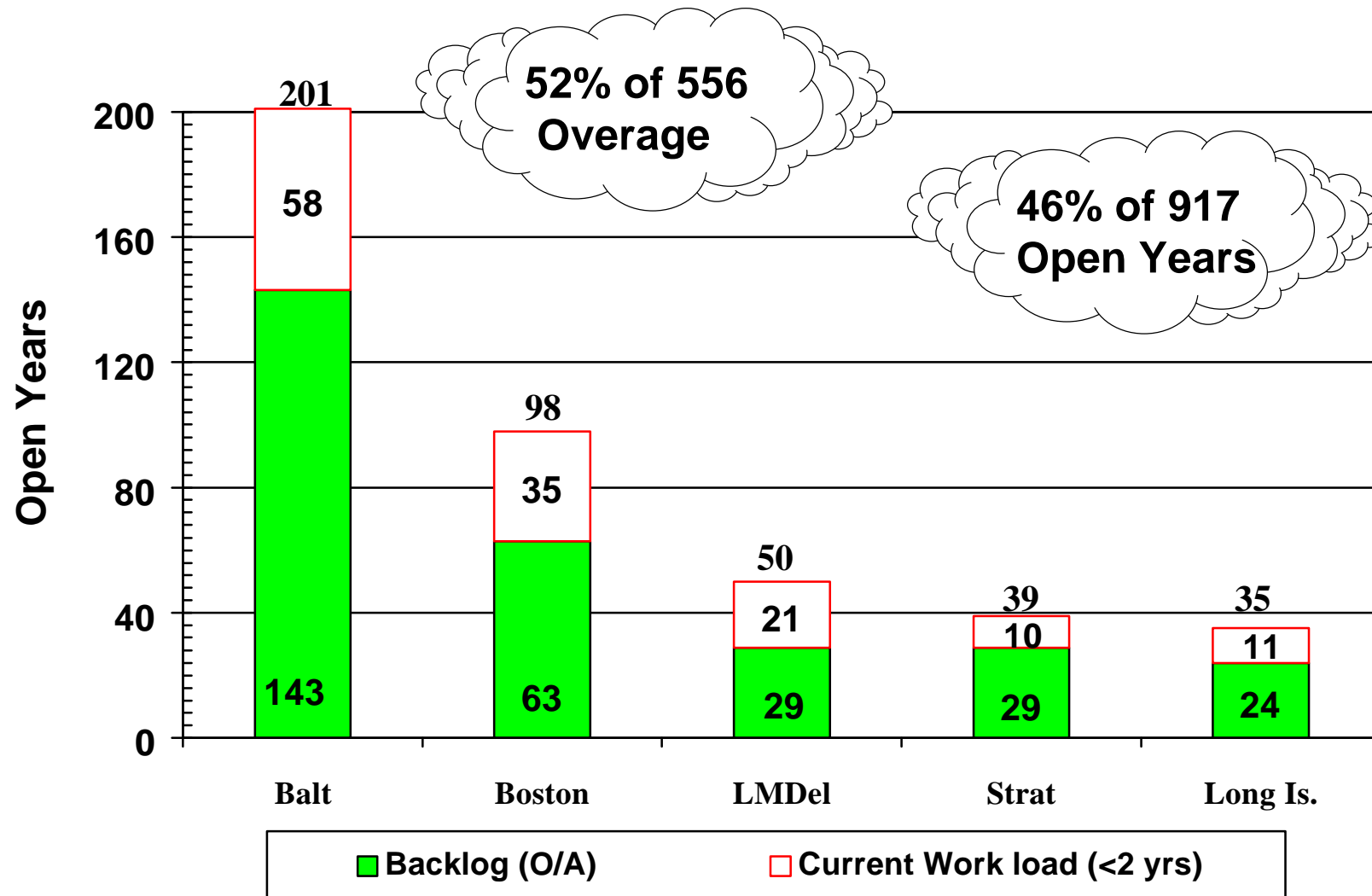
FY97 Goal: Average of 2 yrs per location
(about 800 open years DCMC-wide)

- o Jul 97 Open overhead years - 917
 - oo Open years >2 years old - 556
 - oo Of the 556 Overage years:
 - 58 are Awaiting Proposals
 - 168 are Awaiting Audits
 - 330 are in Negotiation
- o District Staff:
 - oo Analyzing CAO Burndown plans/drivers
 - oo Meetings to be scheduled with Pacing CAOs

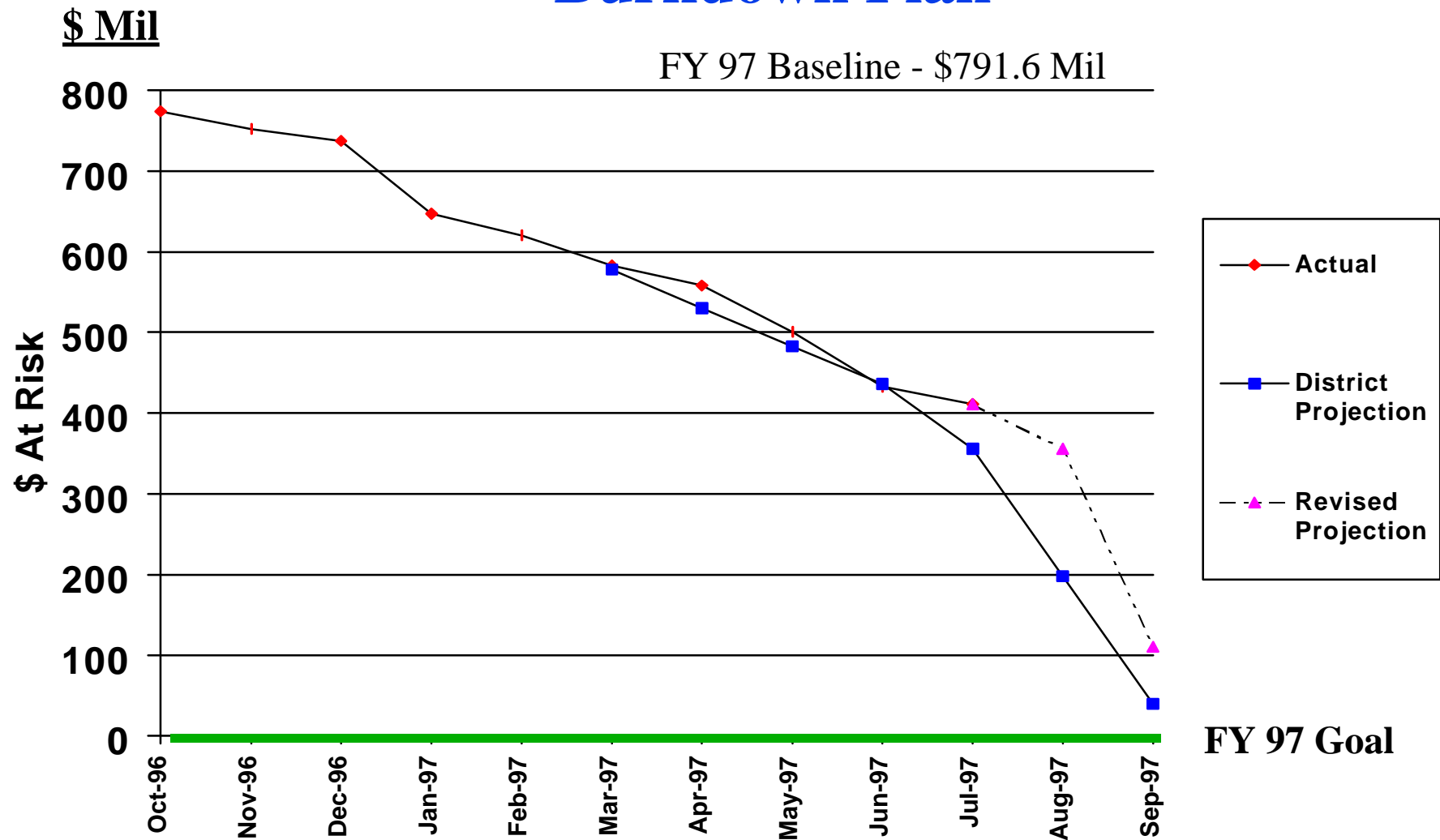
Right Price

Open Overhead Negotiations (4.4.1)

Top 5 Pacing CAOs for “Backlog/Overage”



FY 97 Canceling Funds Section 1-4 Total Burndown Plan



Right Efficiency Canceling Funds

STATUS:  **RED**

FY 97 Goal: \$0 Canceling Funds

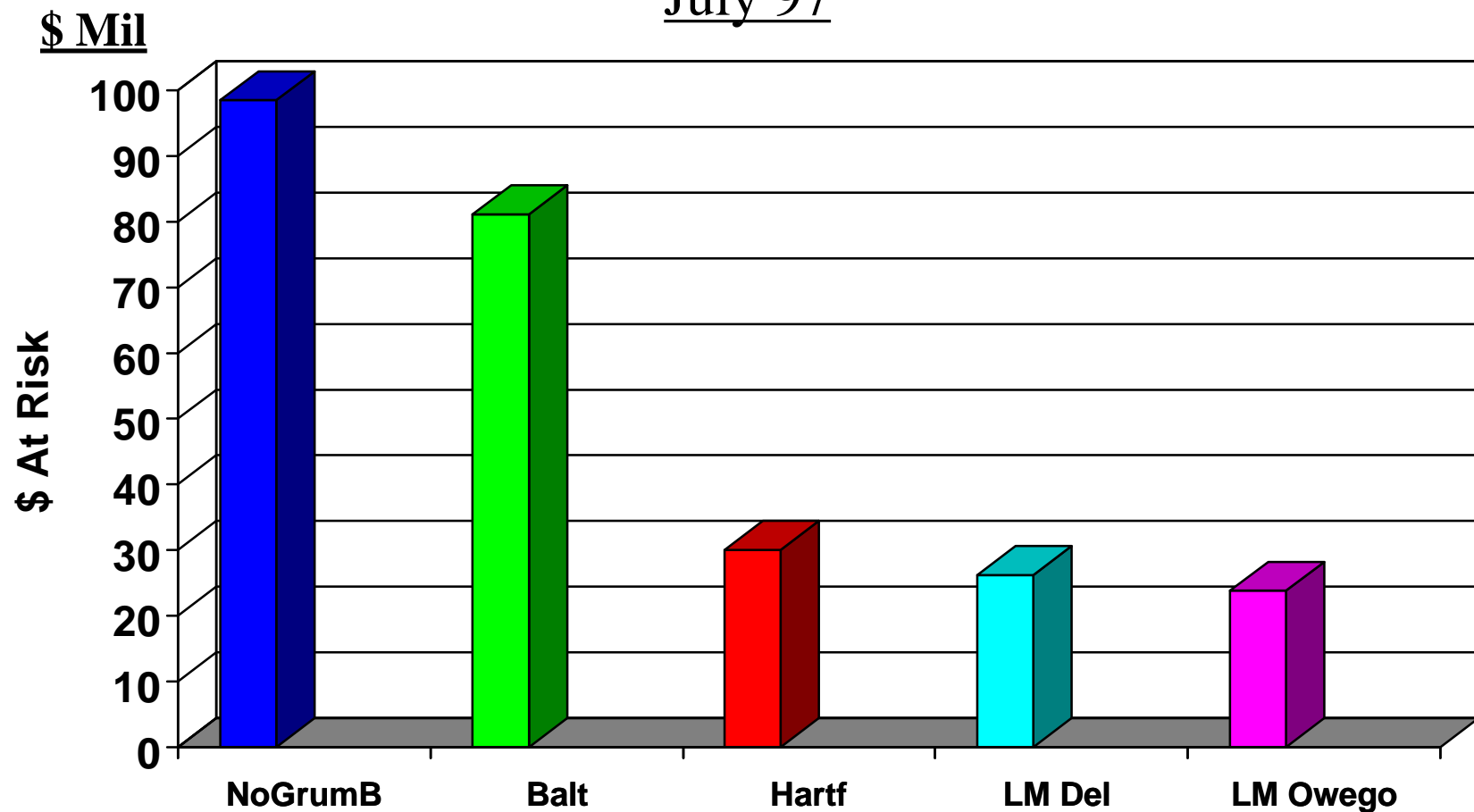
- o Goal of \$0 canceling at FY end requires red status code throughout the year
- o District total ULO, FY 97 baseline: \$791.6M
 - oo District total ULO, as of July 97: \$411.4M
 - oo Decrease/positive trend continues
 - oo Reduced by 48% thus far

DCMDE

Contracts With FY 97 Canceling Funds Section 1-4 Total

Top 5 Pacing CAOs

July 97

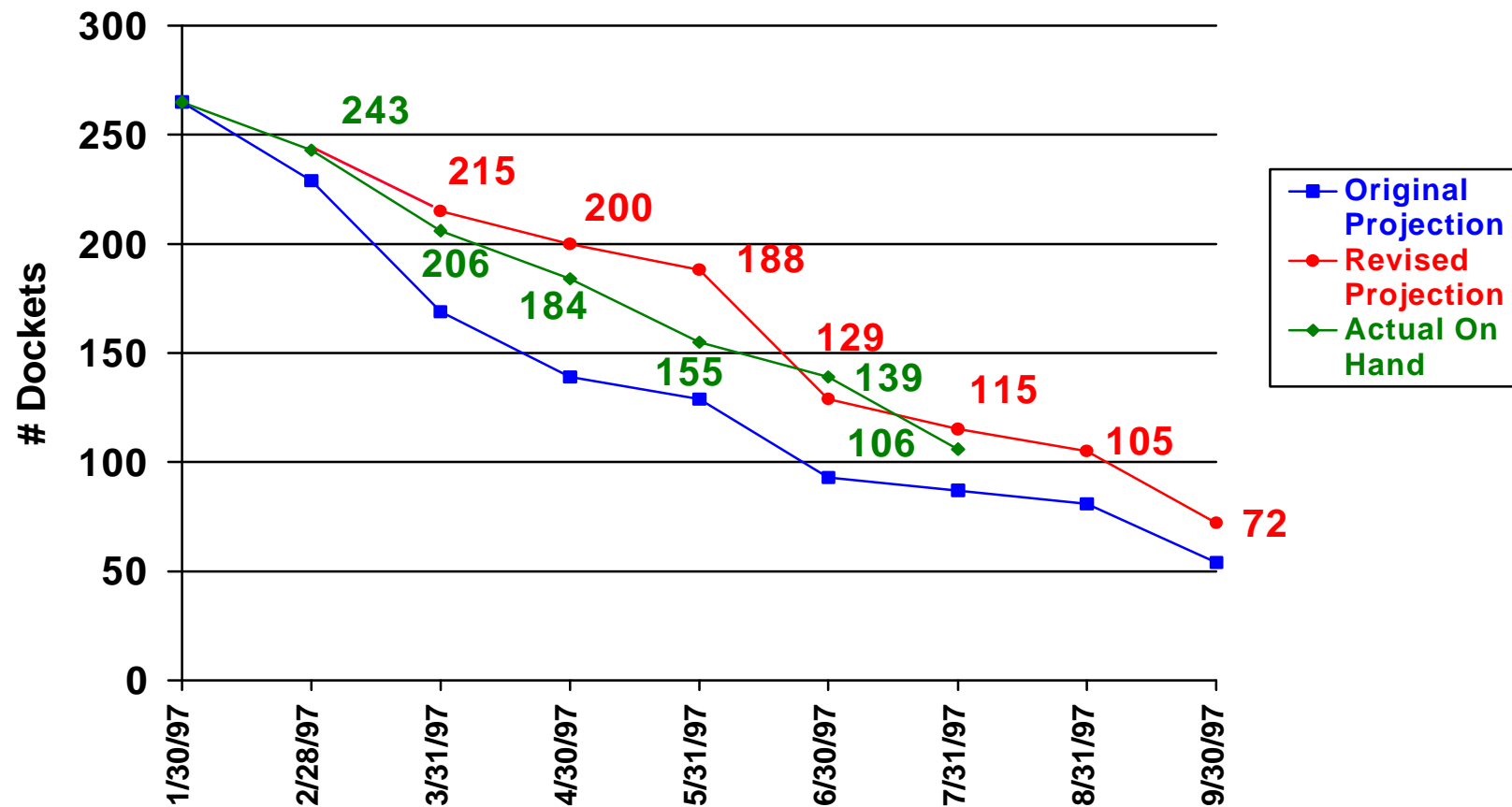


Right Efficiency Canceling Funds



DCMDE Monthly Activity

- o CAOs submitted revised projections of funds likely to remain on Canceling Funds Report (UNFA690) at end of FY
- o District reviewed all reports to determine total projected dollars and reasons for non-resolution
- o Revised District projection for FY end: \$110.7M
 - oo 66% or \$73.1M due to incomplete reconciliations/adjustments
 - oo 23% or \$25.5M awaiting Buying Activity/PCO action
 - oo 6% or \$ 6.6M pending litigations, bankruptcies, investigations
 - oo 5% or \$ 5.5M awaiting overhead rates and/or Contractor invoices
- o Bulk of dollars (\$73.1M) reported to be “phantom funds”
 - oo Funds reported are erroneous, not truly at risk
 - oo ULOs due to inflated obligations, improperly posted disbursements, and/or incorrect prior adjustments
 - oo Posting of adjustments/corrections would reduce most to zero

Right Efficiency Termination Actions Burndown Plan



Right Efficiency Termination Actions Termination for Convenience Cycle Time

STATUS:		GREEN	FY97 Goal: Cycle Time < 730 Days
		RED	FY97 Goal: Zero Dockets with Termination Date prior to 1/1/95

- o Two Measures
- o Cycle Time Metric - Green
 - oo Applies Only to Dockets with a Termination Date after 1/1/95
 - ooo Goal <730 Days; Achievable Goal
 - ooo July Cycle Time 358 Days
- o Closeout Goal - Red
 - oo Do Not Anticipate Achieving “0” Open Dockets at end of Fiscal Year with Termination Date Prior to 1/1/95

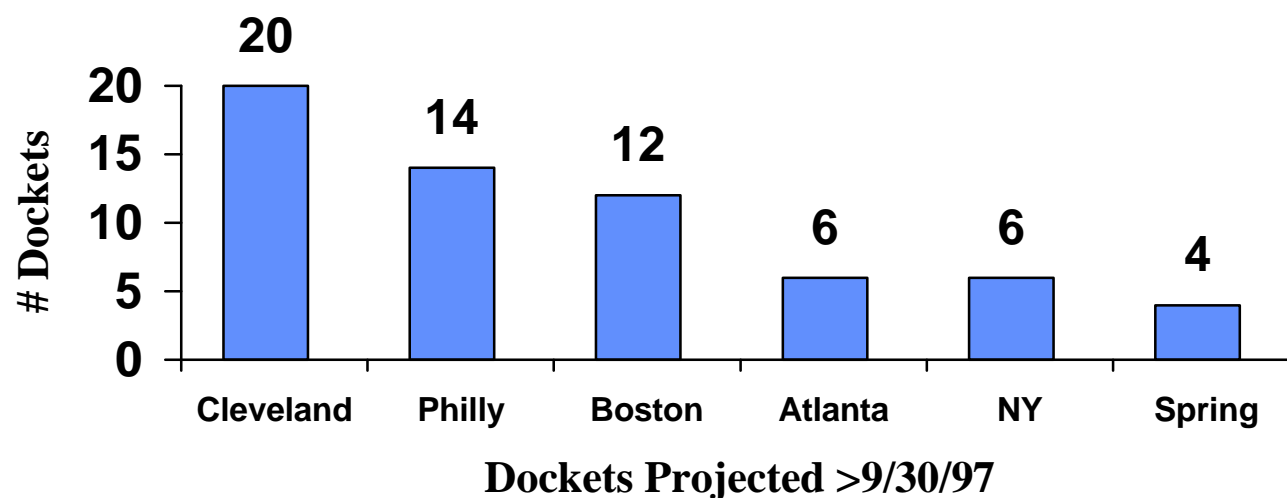
Right Efficiency Termination Actions

Termination for Convenience Cycle Time

STATUS:**Red**

FY97 Goal (Sep 30, 1997): Zero Dockets On Hand with Termination Date prior to 1/1/95

- o Do not Anticipate Achieving “0” Open Dockets with Termination Date prior to 1/1/95
 - oo 62 Projected Closing Beyond Sep 97 Goal (-11 from June Projection)
 - oo All Offices have been requested to identify the specifics concerning the delay being experienced on each of these dockets



DCMDE

UNRECONCILABLE CONTRACTS

STATUS:  RED

FY97 Goal: Close By APR 97

<u>CAO</u>	<u># Contracts</u>	<u>Closed</u>	<u>Balance</u>
DCMC Baltimore	6	5	1
DCMC Detroit	1	1	0
DCMC Indianapolis	4	4	0
DCMC Lockheed Sanders	1	1	0
DCMC LM Del Valley	3	2	1
DCMC Pittsburgh	2	2	0
DCMC Raytheon	2	2	0
DCMC Reading	1	1	0
DCMC Springfield	4	3	1
DCMC Stratford	2	1	1
DCMC Syracuse	<u>1</u>	<u>1</u>	<u>0</u>
	27	23	4
Special Topic			

UNRECONCILABLE CONTRACTS

KEY ISSUES

- DFAS Actions

- Adjustments to ACRNs required on three (3) contracts.
- Awaiting concurrence of Funding Stations.

- Contractor researching payment history to insure payment is complete.



Performance Improvement

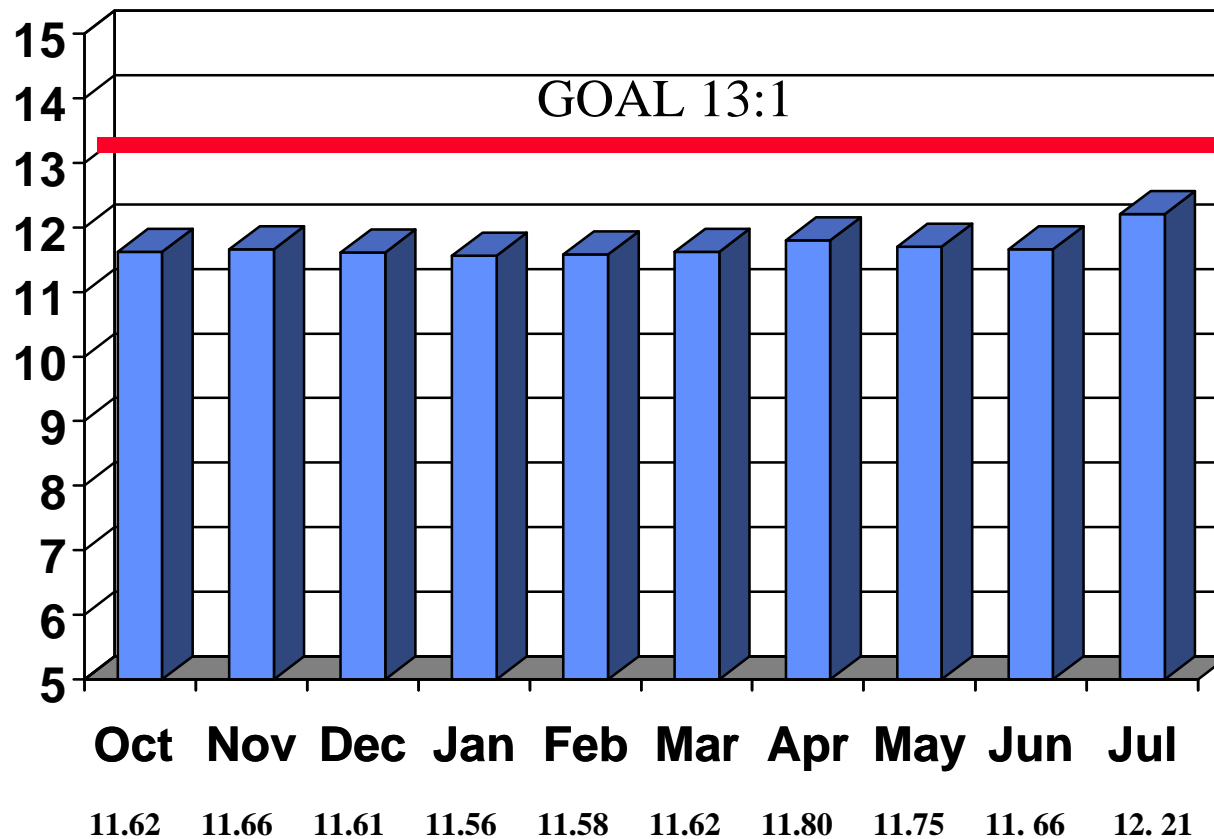
DCMDE

Jul 97 data

1997 Business Plan - Performance Goals	East	
• (1.2.1) Increase the percentage of items (source inspected) conforming to product specifications	YELLOW	(AD)*
• (1.3.1) Continually improve all facets of the contract close-out process such that not more than 20 percent of physically completed contracts are overage for closeout	RED	(AD)*
• (2.1.2) Establish, maintain, and improve dynamic surveillance process that senses and satisfies customer needs (DELIVERY DELINQUENCIES)	YELLOW	(AD)*
• (3.1.3) Increase civilian supervisory ratio to 13:1	RED	

* Already Discussed during Mission Performance

Supervisory Ratio A/O 31 Jul 97



Performance Goal 3.1.3

Supervisory Ratio

STATUS:**RED****Goal 13:1**

	<u>Non-Sup</u>	<u>Supvs</u>	<u>Ratio</u>
District Average: July 31, 97 (Summer Hires not included)	6775	555	12.21:1

o ACTIONS TO IMPROVE RATIO**SUPERVISORY CHANGE**

oo Infrastructure Reductions (NJ, PA)	- 1
oo TAG Reorganizations	- 5
oo Other Structural Reorganizations	- 6
oo Position Description Revisions	-16
oo Supervisory Counsels to Non-Supervisory	<u>-12</u>
	-40 total

o REVISED RATIO UPON COMPLETION OF ABOVE ACTIONS:

<u>Non-Sup</u>	<u>Supvs</u>	<u>Ratio</u>
6735	515	13.08:1

Performance Goal 3.1.3

Supervisory Ratio

STATUS:



RED

Goal 13:1

5 CAO Drivers

1. Industrial Analysis Support Office
2. DCMC GEAE, Cincinnati, OH
3. DCMC Lockheed Martin Defense Systems, MA
4. DCMC GEAE, Lynn, MA
5. DCMC Raytheon

Good News

- o DCMC Baltimore: Armed Services Board of Contract Appeals (ASBCA) upheld Gov't claim (Executive Compensation Cases)- \$679,938 **Refund to Gov't.**
- o DCMC Indianapolis and DSCC sign **MOA - Program Integrator network** to improve repair parts support of the High Mobility Multi-Wheeled Vehicle (HMMWV).
- o DCMC Dayton: **Cost Avoidance** of \$76K for Boeing Guidance Repair Center (BGRC) double billing.
- o DCMC LM Fed Sys Owego: **Defense Acquisition Executive's Certificate of Achievement** "In recognition of Exceptional Contributions to improve Life Cycle Costs and Acquisition Systems and Programs".

DCMC

Monthly Management Review

Headquarters





Resource Management

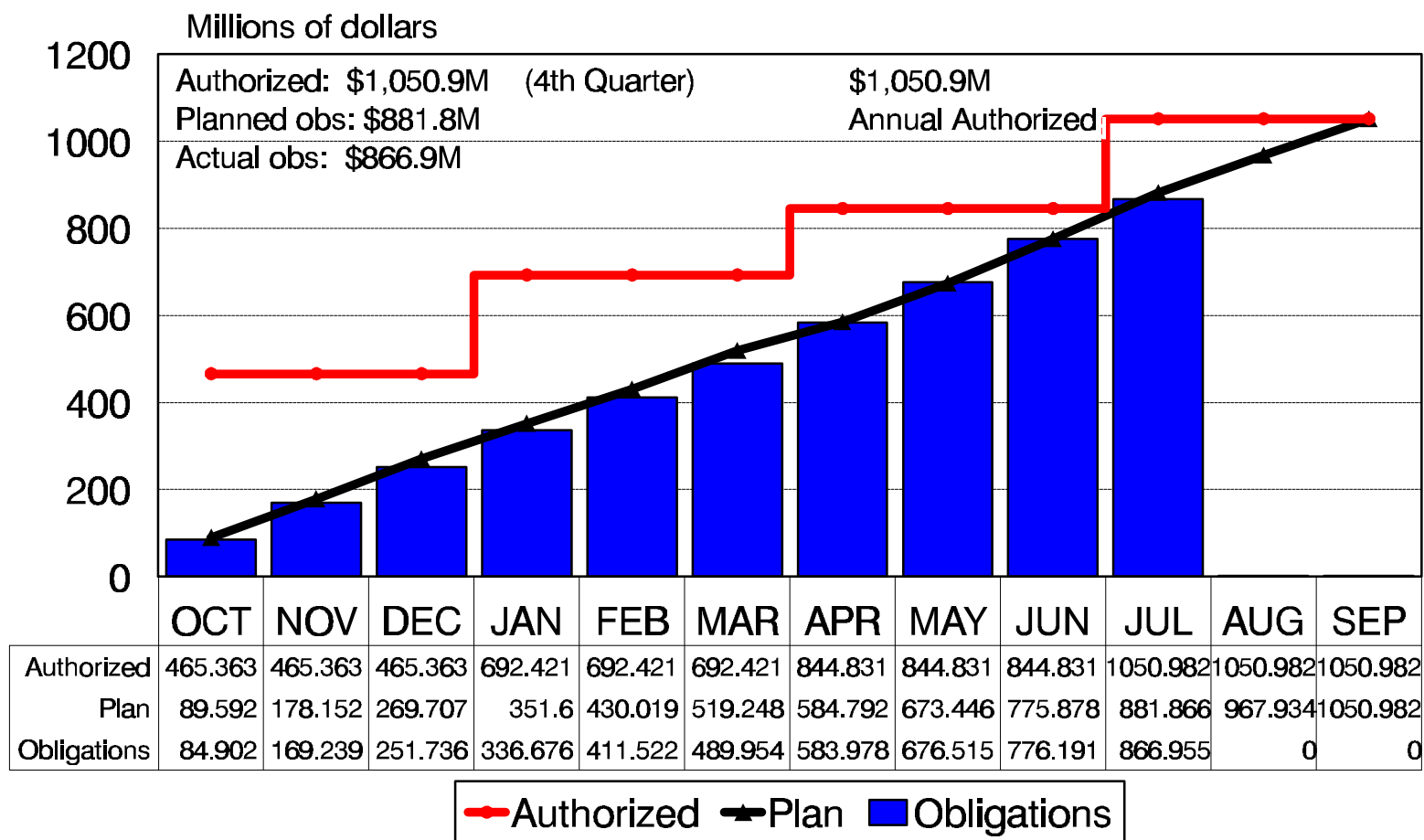
Recommended Ratings

DCMC Summary

Business Performance Metric	DCMC	East	West	Int'l
• Budget Execution				
• Total	Red	Green	Green	Red
• Direct	Red	Green	Red	Red
• Reimbursable	Red	Red	Green	Red
• Personnel				
• Full Time Equivalent (FTE) Execution	Red	Red	Green	Red

As of: July 31, 1997

DCMC FY 97 Total Execution



Obligations/plan: 98.3%



FY 97 Budget Execution

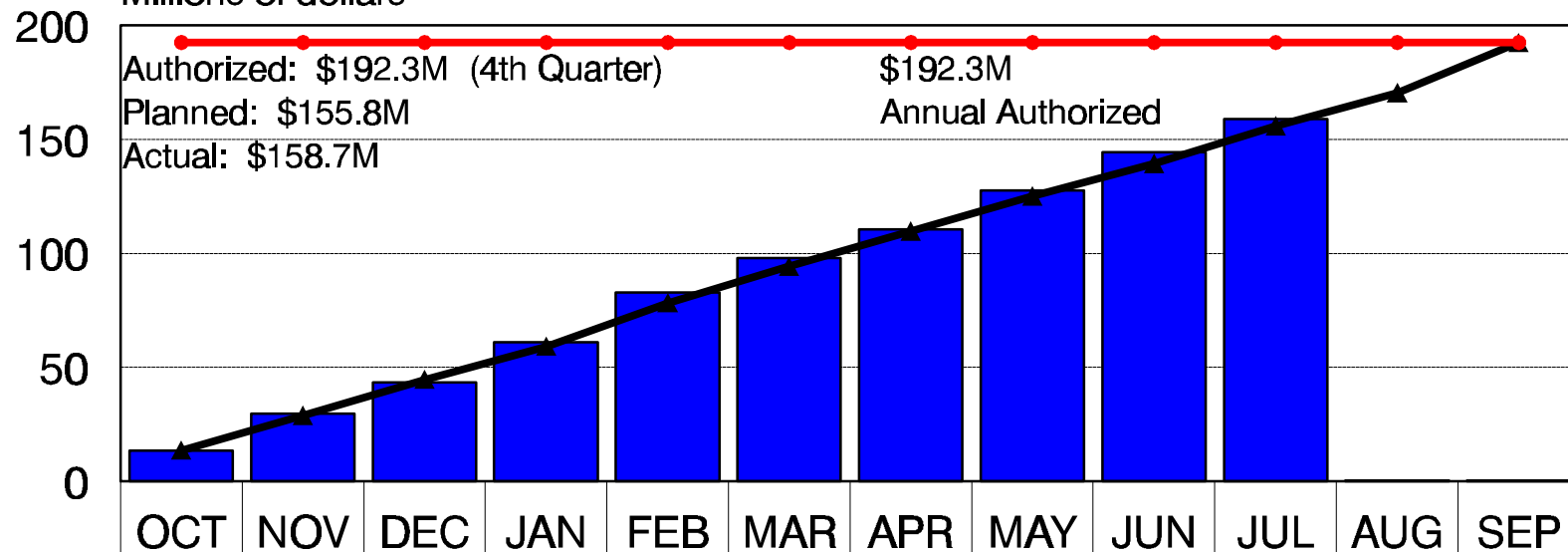
DCMC Total (As of Jul 31)

Status: RED (98.3%)

- Comments:
 - Underexecution occurring primarily in labor and SPS
 - Unfunded priorities revised based on Aug/Sep execution projections
 - HQ payment adjusted until OMB approves the reprogramming action
 - FMS earnings could affect available direct
- Corrective Action:
 - Increase review of Sep execution
 - All available funding will be realigned to fund FY 98 IRM requirements

DCMC FY 97 Reimbursable Execution

Millions of dollars



—●— Authorized
 —▲— Plan
 ■ Earnings

Earnings/plan: 101.9%



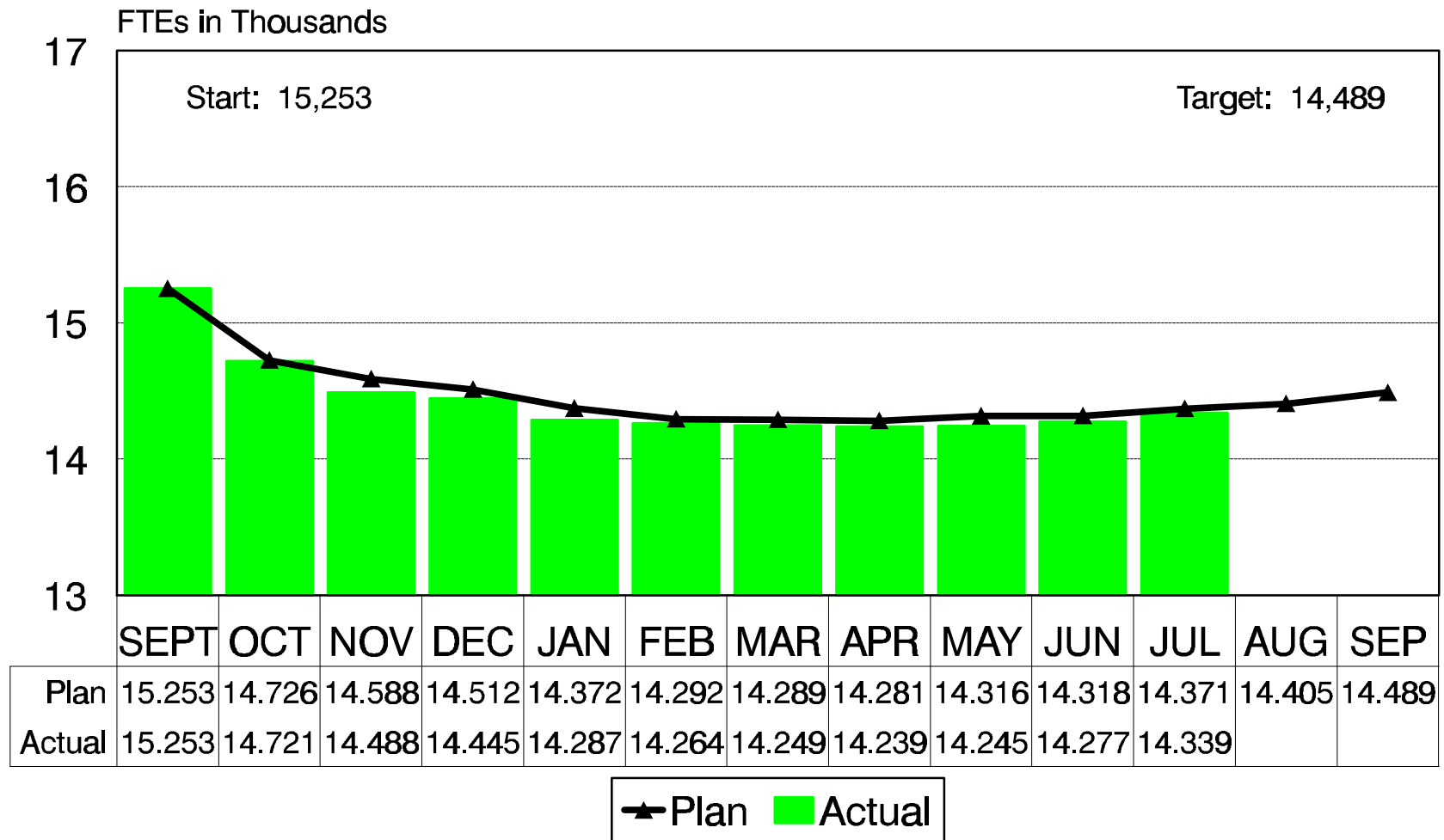
FY 97 Budget Execution

DCMC Reimbursables (As of Jul 31)

Status: RED (101.9%)

- Comments:
 - DCMDE projects FY under execution of \$5.4m
 - DSAA has directed recalculation of FMS bills
 - Impact of revised bills is \$3.8m less earnings (of \$5.4m)
 - FMS workload appears to be steadily decreasing
 - DCMDW FMS earnings continue to exceed plan
 - Net impact, estimated at \$4.1m over current AOB
 - Direct funds (\$1.3m) necessary to offset E & W difference
 - DCMDI earnings \$.6k over monthly plan due to Eskin Village obligations - no impact on direct
- Corrective Action:
 - Weekly analysis to address impact on direct

DCMC FY 97 FTE Execution



Actual/Plan: 99.7%



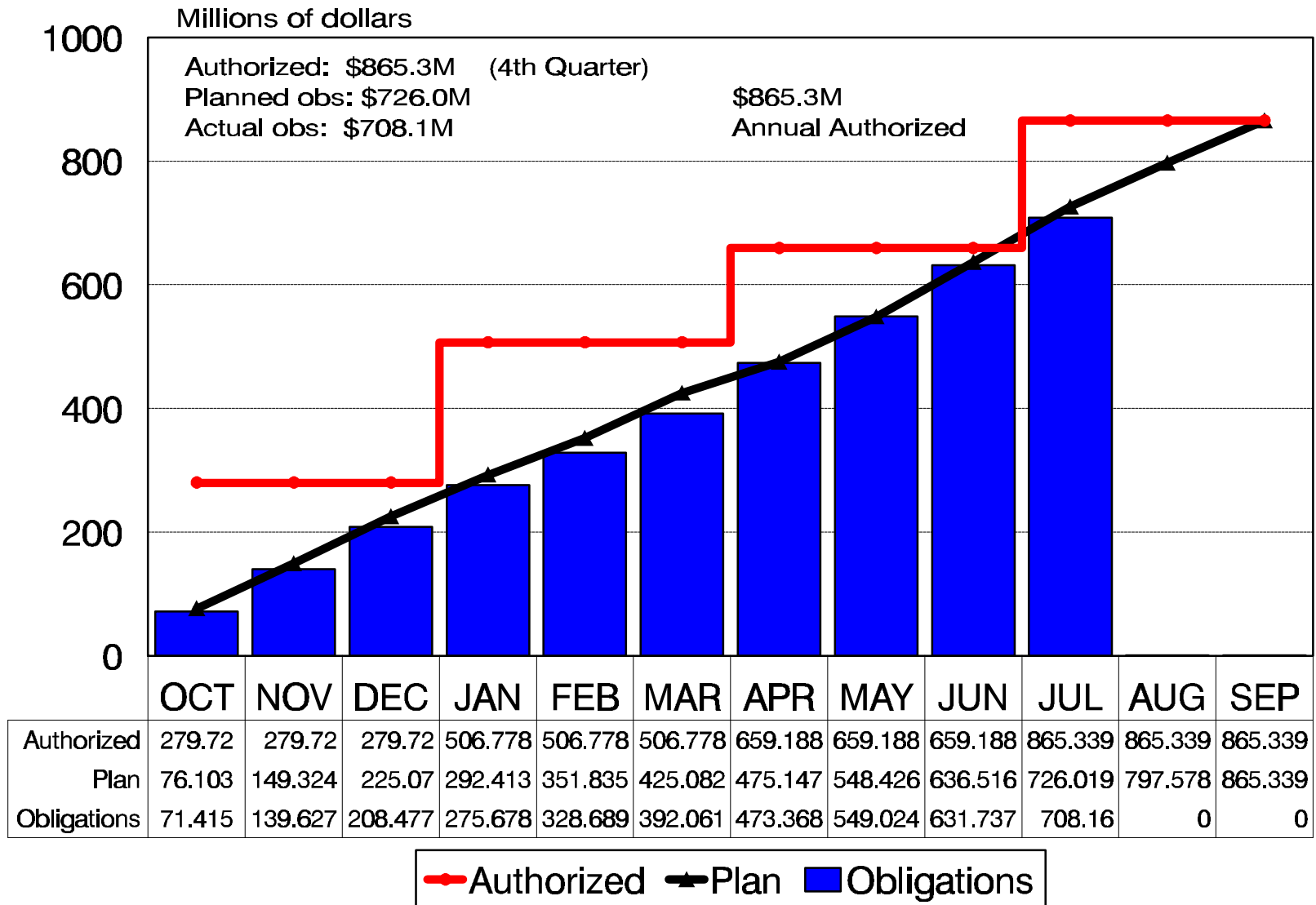
FY 97 FTE Execution

DCMC Summary (As of Jul 31)

Status: RED (99.7%)

- Comments:
 - VERA/VSIP losses in early FY 97 forced aggressive hiring plans
 - Current execution is approx -150 below annual allocation
 - East -43, West +1, Intl -26, AQ -8, Unallocated -63
 - Underexecution is improving slightly due to increases in summer hire and temporary employees
 - Year end projection -125
- Corrective Action:
 - Districts increasing review of plans/actuals during BPT/RUC/MMR meetings
 - FY 98 plans eliminated VSIP except IAW RIF plans

DCMC FY 97 Direct Execution



Obligations/plan: 97.5%



Mission Performance

Performance Metric	DCMC	WEST	INT'L	EAST
1. Right Item - Conforming Items (3.7.1.3)	Green	NR	NR	NR
• Design Defects (3.10.1 and 3.10.1.1)	Green	Green	Green	
• Packaging Discrepancies (3.4.1)	4Q97	NR	NR	
• Adopted Software Recommendations (3.10.1.6)	Green	Green	Green	
2. Right Time - On Time Contractor Delivery (3.7.1)	4Q97	NR	NR	
• Engineering Change Cycle Time (3.10.2.2)	Green	Green	Green	
• Schedule Slippage's on Major Programs (3.12.2.1)	4Q97	NR	NR	
• Shipping Document Cycle Time (3.5.2)	4Q97	NR	NR	
3. Right Price - Cost Savings and Avoidances (1.4.1)	Red	NR	NR	
• ROA on Property from Plant Clearance (4.3.1)	Green	Green	Green	Green
• Negotiation Cycle Time (2.2.2)	4Q97	NR	Green	Green
• UCA Definitization (2.2.2.1)	Red	Red	Yellow	Red
• Forward Pricing Rate Agreement (FPRA) Coverage (2.2.1.1)	Green	Green	Green	Green
• Open Overhead Negotiations (4.4.1)	Red	Red	Green	Red
• Cost Overruns on Major Programs (3.12.1.4)	4Q97	NR	NR	
• \$ Value of Lost/Damaged/Destroyed Government Property (3.2.1)	Green	Yellow	Green	Green
4. Right Advice - Participation in ASPs and RFP Reviews (1.2.3)	Green	Green	Green	Green
• Repeat Requests for Early CAS (1.2.3.1)	Green	Green	Green	Green



Mission Performance (Con't)

Performance Metric	DCMC	WEST	INT'L	EAST
• % Contractors on Contractor Alert List (CAL) (2.1.1.2)	1098	NR	NR	
• Single Process Implementation (1.2.4)	Green	Green	Green	
• Preaward Survey Timeliness (2.1.2)	Yellow	Green	Red	
• Amount of DoD Property (3.2.1.1)	Green	NR	NR	
• Excess Property (3.2.1.2)	Green	Green	Green	Green
• Delay Forecast Coverage (3.7.1.1)	Nov 97	NR	NR	NR
• Delay Forecast Timeliness (3.7.2.1)	Nov 97	NR	NR	NR
• Delay Forecast Accuracy (3.7.1.2)	Nov 97	NR	NR	NR
5. Right Reception - Customer Satisfaction (3.11.1.1)	G/Y/R	Green	Green	Green
• Service Standards (1.3.1)	G/Y/R	Green	NR	NR
• Trailer Cards (3.11.1.2)	G/Y/R	Green	Green	Green
6. Right Efficiency - New efficiency metric under development	4Q97	NR	NR	NR
• Contract Closeout (4.2.2.2)	Green	Green	Green	Green
• Canceling Funds (TBD) (Unreconciled Contracts)	Red	Red	Green	Red
• Termination Actions (4.1.2)	Red	Red	Yellow	Red
7. Right Talent - Training Hours (1.8.1)	G/Y/R	Green	Green	Green
• DAWIA Certification (1.8.1.2)	G/Y/R	Green	Green	Green
• Course Completion (1.8.1.1)	G/Y/R	Green	Green	Green
• Training Costs (1.8.1.3)	G/Y/R	Green	Green	Green

Conforming Items

- August Conforming Items was 99.1%
- Six PQDR's issued
 - Four Navy (PDREP)
 - East (1-New York)
 - West (1-San Diego, 1-San Antonio, 1-Chicago)
 - Two Ogden ALC
 - East (1-Long Island)
 - West (1- Santa Anna)
 - Currently under investigation
- “1-800” & “This product inspected by” test sites
 - East (DCMC Reading); West (DCMC Chicago)



Right Price Return On Investment of 10 Percent over FY 96 Baseline

**FY 97 ROI RATIO GOAL 4.85
FY 1996**

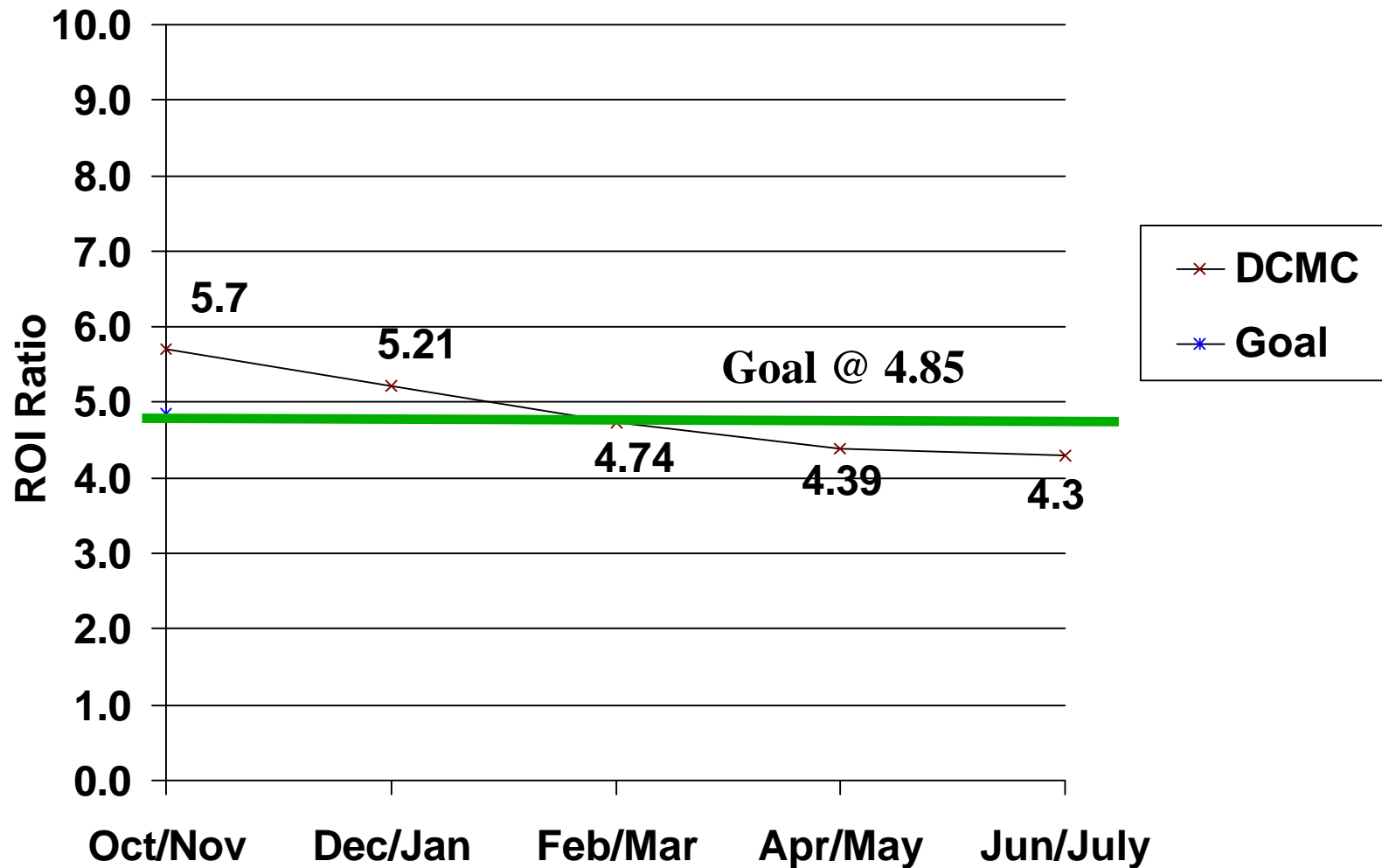
ROI	\$ 4,741,920,179
TOTAL OPERATING COSTS	1,074,701,000
ROI RATIO	4.41

OCT 1996 - JUL 1997

ROI	\$ 3,784,204,661
TOTAL OPERATING COSTS	879,300,166
ROI RATIO	4.30



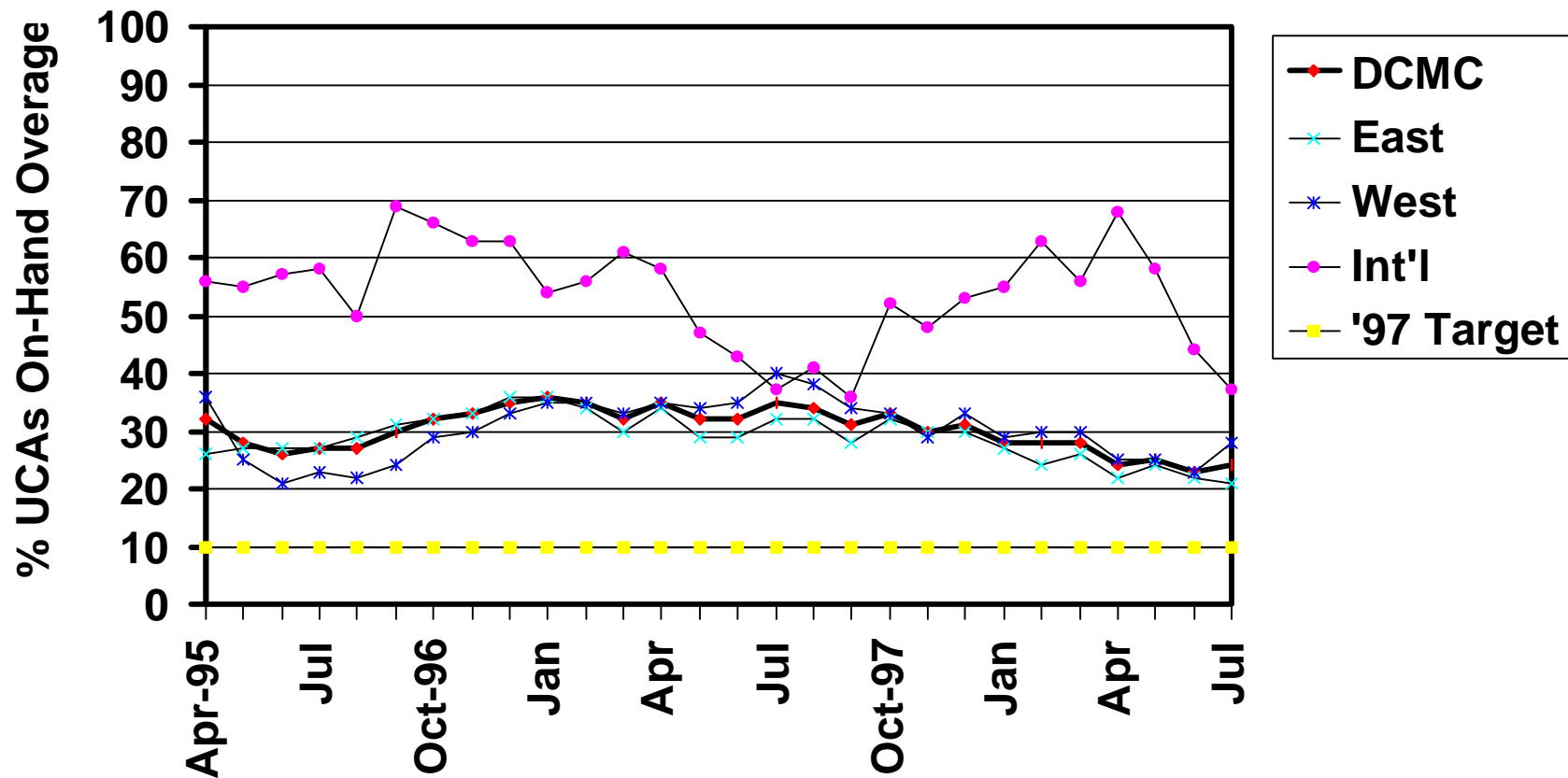
Right Price - Cost savings & Avoidances (ROI Ratio) Cumulative S+ A)/Operating Costs





Right Price

Overage UCAs On-Hand
UCAs On-Hand > 180 Days/# UCAs On-Hand





Right Price

Overage UCAs On-Hand

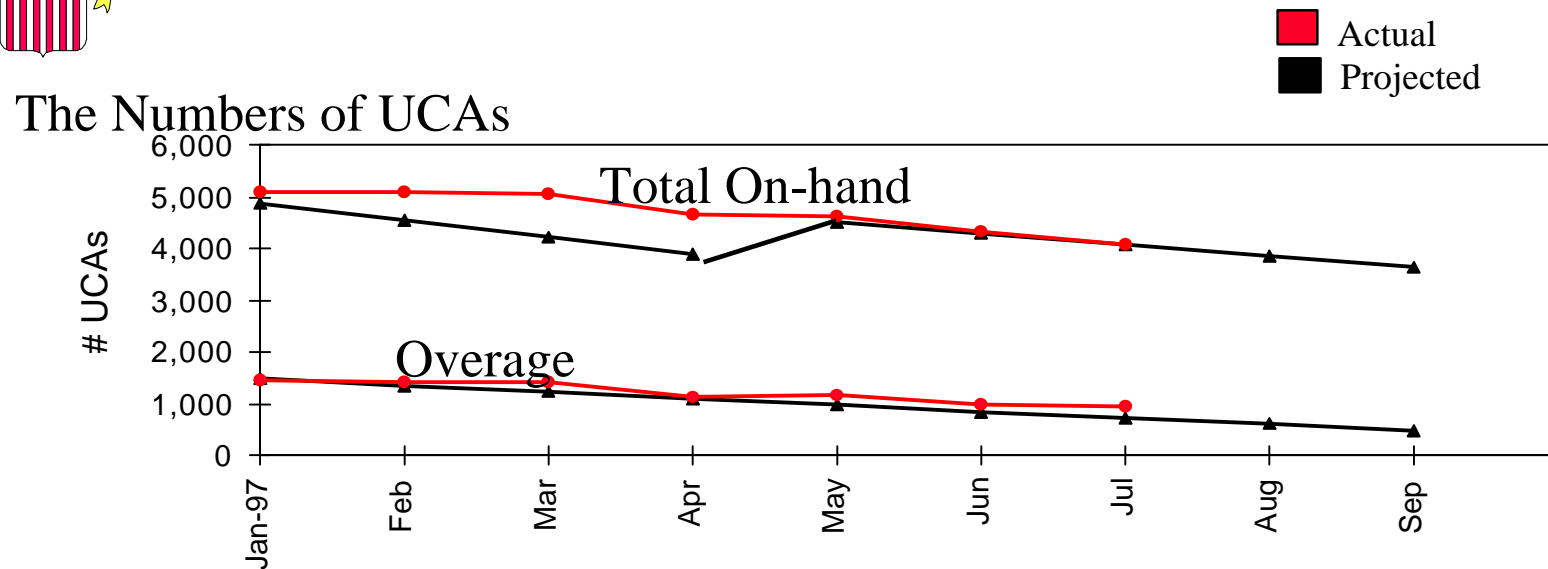
Status: Red

For July,

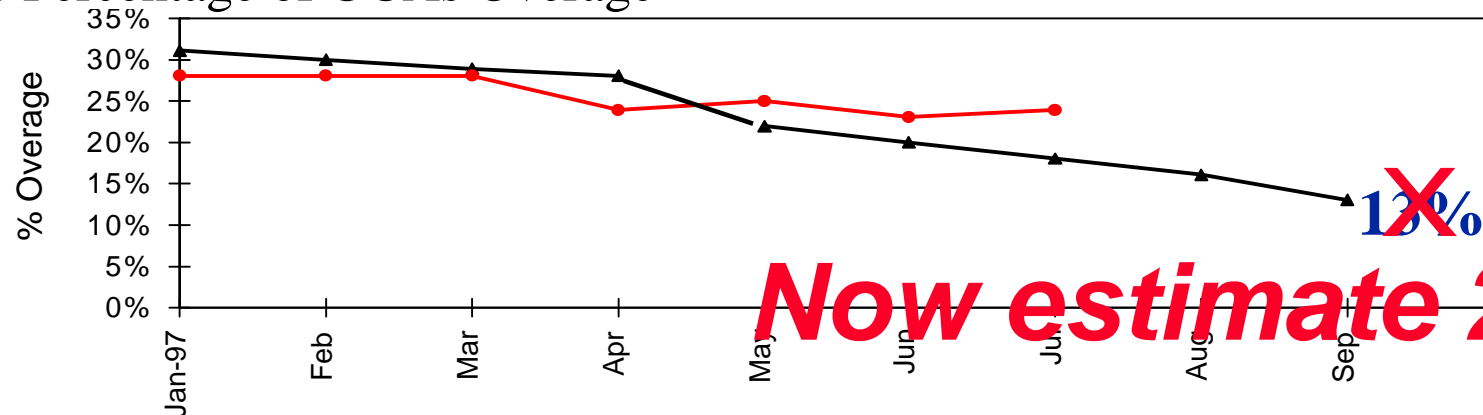
- Percentage of overage UCAs on-hand increased 1% to 24%
 - Would have experienced a 1% decrease to 22% if not for NG Hawthorne situation
- Number of overage UCAs on-hand cut by 4% to 958 (a new low)



UCA Projections Through FY 97



The Percentage of UCAs Overage



Now estimate 21%

Overage UCA projections based on 3 Month Double Moving Average using Jan 96-Dec 96 data. Total UCA projections based on 2 Month Double Moving Average using Jan 96-Apr 97 data. Rate projections are quotient of "Overage" and "Total" projections.



Right Price

Overage UCAs On-Hand

Short of Goal, but...

	Sep 96	Aug 97	Reduction
# Overage UCAs	2228	958	57%
# UCAs	6343	4076	36%
% UCAs Overage	35%	24%	31%



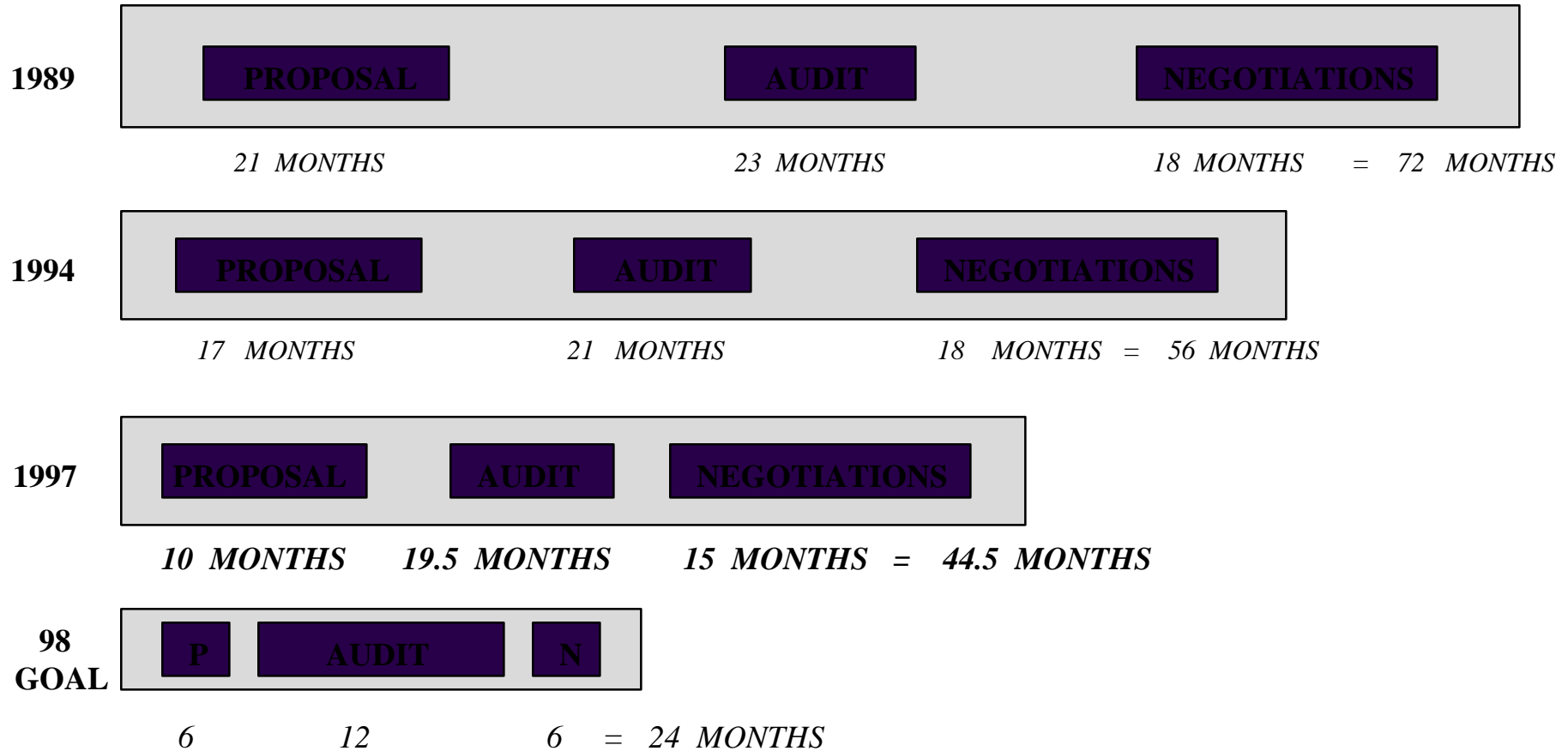
Right Price

Overage UCAs On-Hand

Recent & Follow-on Actions

- HQ continued to publicize
 - Information Letter, Sep 9 discussed DCMC Boston & DCMC Orlando accomplishments
 - Expanded Coverage on Team Website (Aug 28)
- Will have DPSC “bulk-fund” changes on several of the more “active” clothing and textile contracts

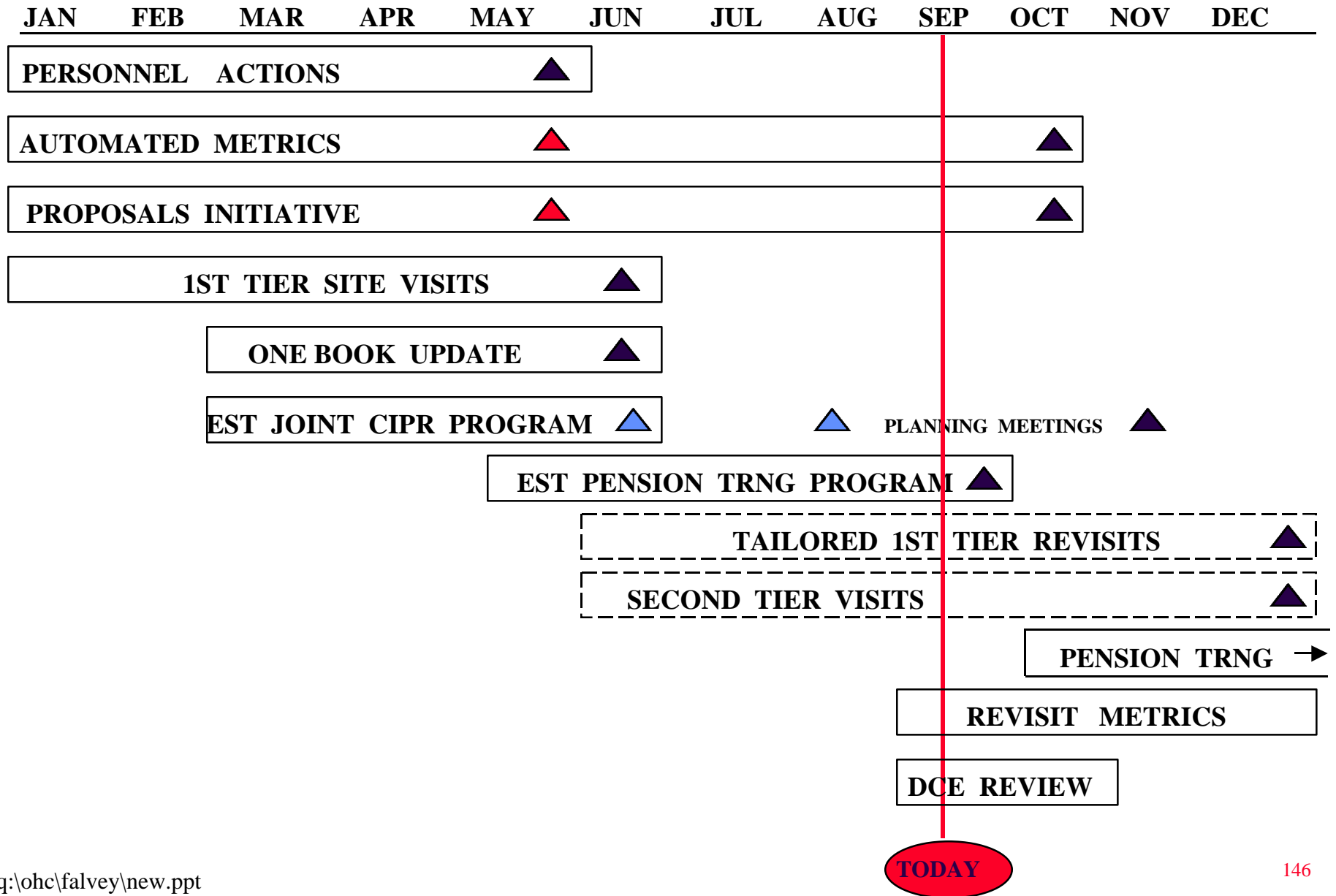
OVERHEAD PROCESS - RED



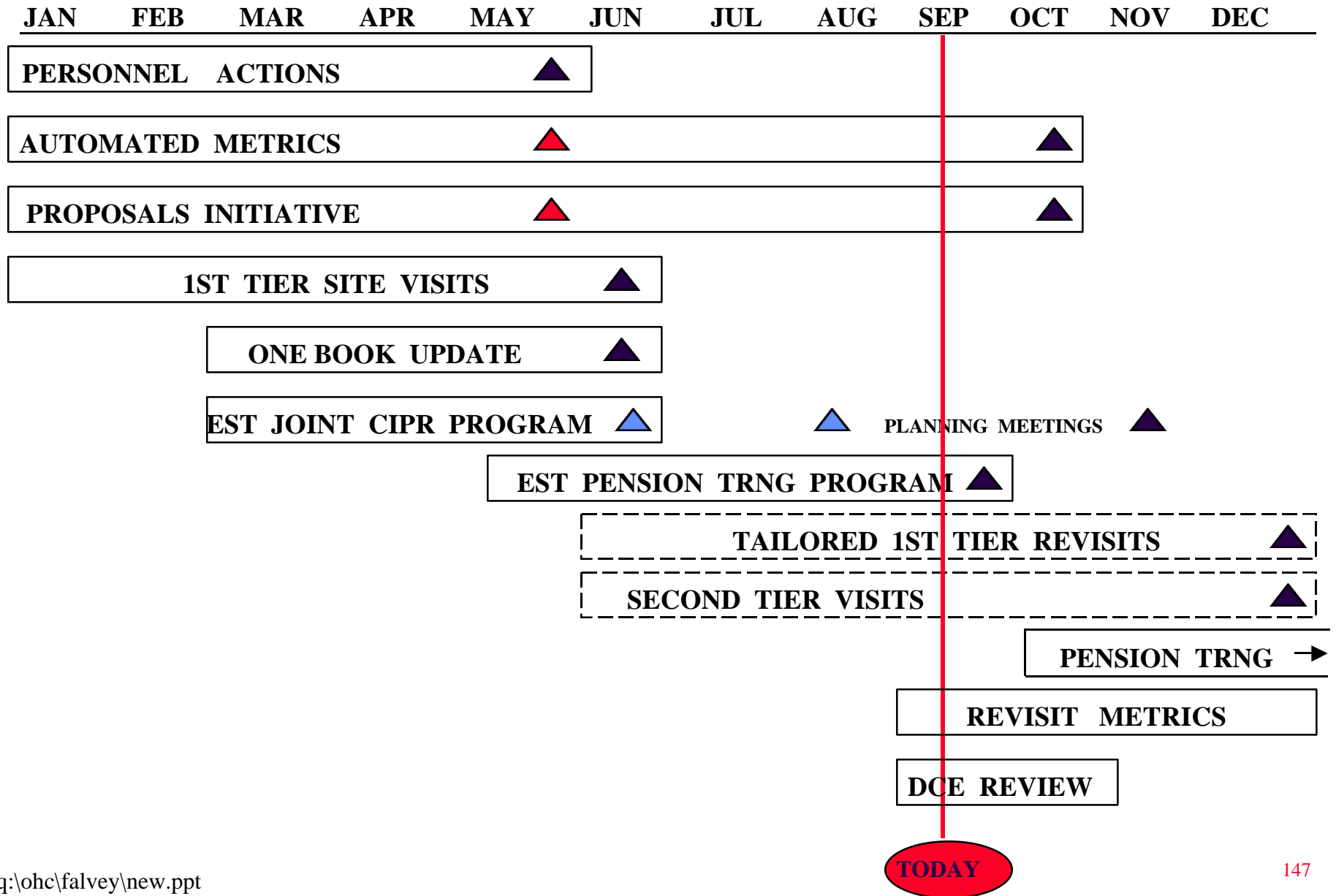
TOTAL WORKLOAD = 1783 YEARS
 AWAITING PROPOPSALS = 452 YEARS (25%)
 AWAITIN G AUDIT = 660 YEARS (37%)
 IN NEGOTIATIONS = 671 (38%)

BACKLOG = 1076
 LATE PROPOSALS = 91 (8%)
 AWAITING AUDIT = 346 (32%)
 IN NEGOTIATION = 639 (60%)

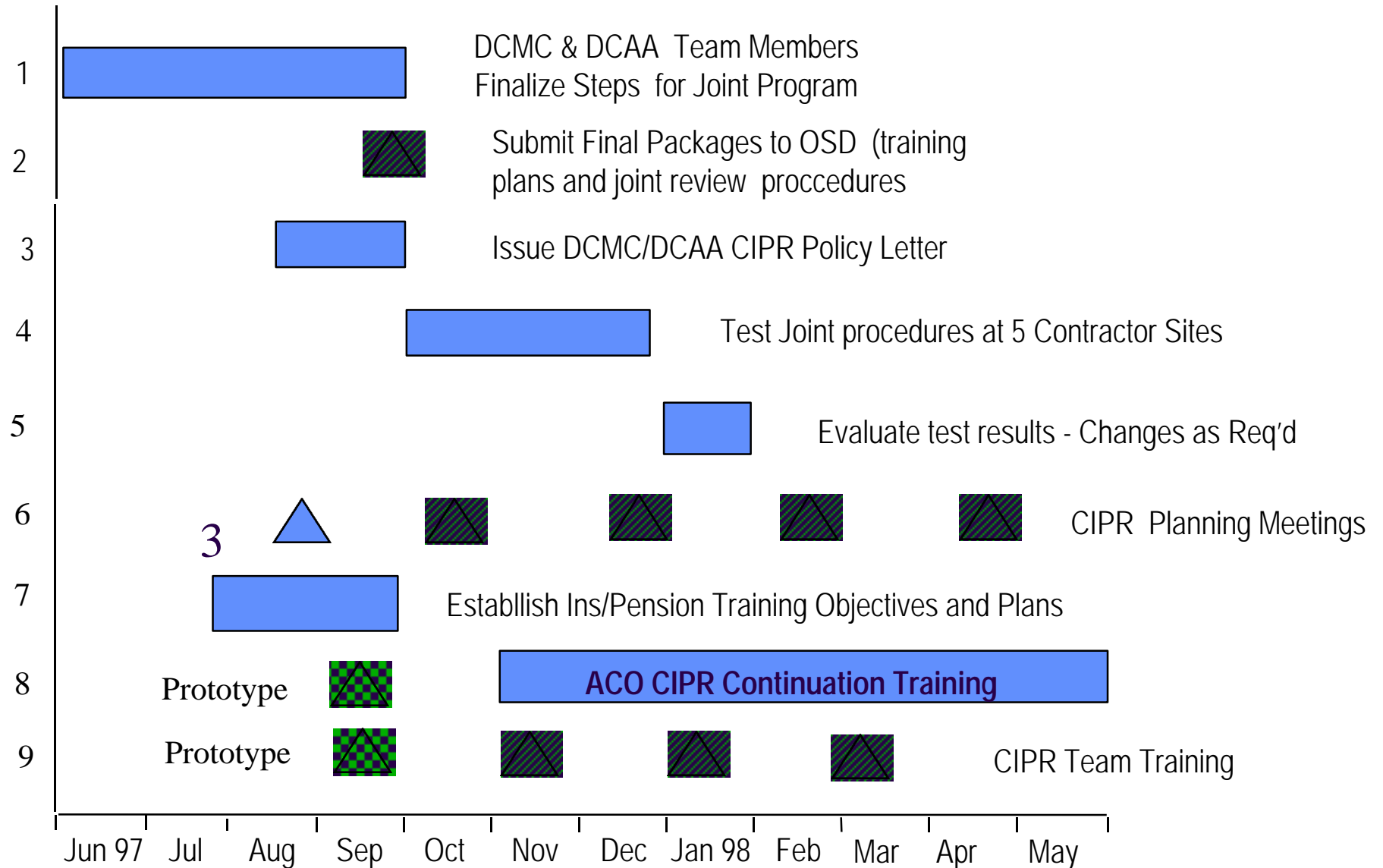
DCMD-I - WHERE WE'VE BEEN - WHERE WE'RE GOING





DCMD-I - WHERE WE'VE BEEN - WHERE WE'RE GOING

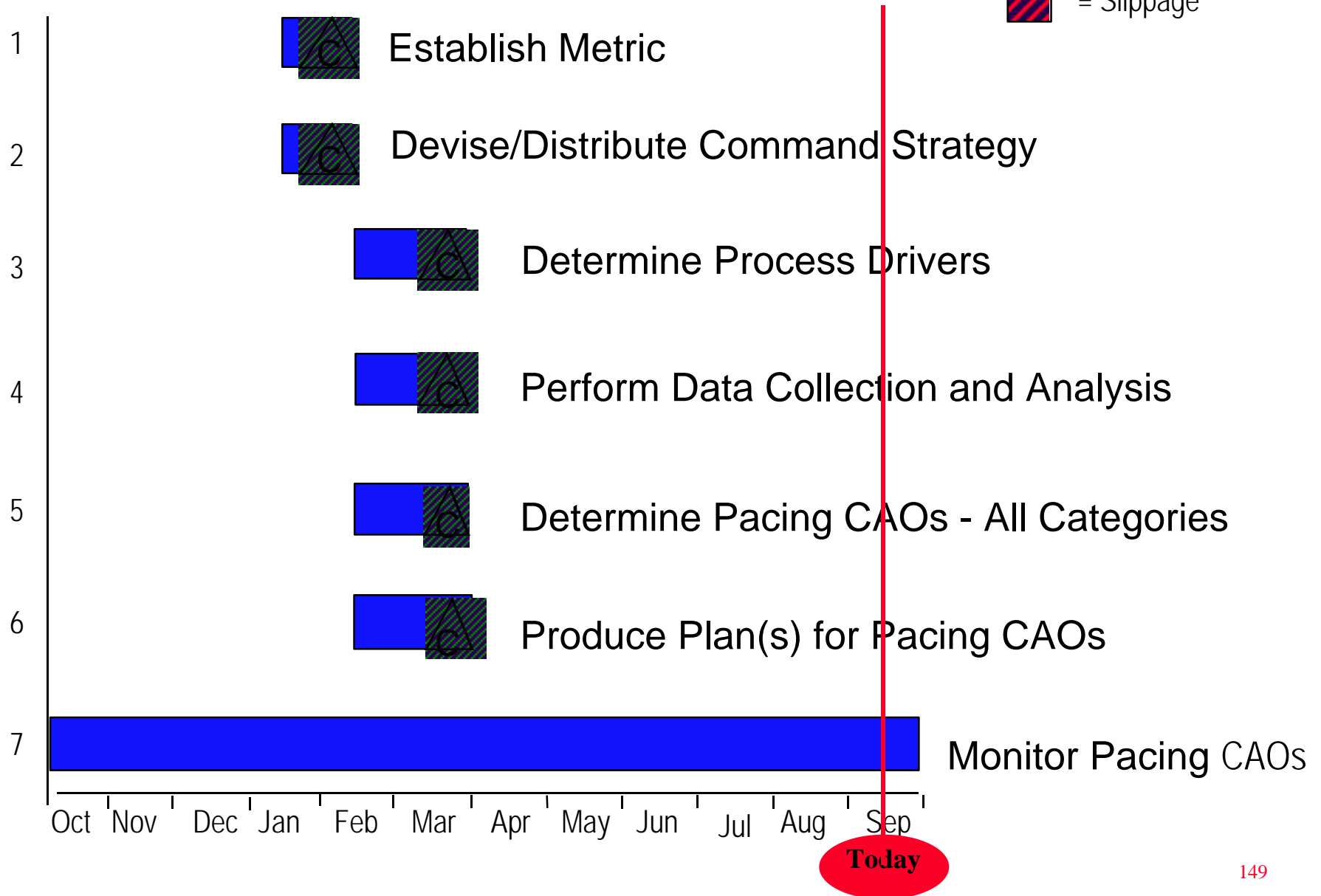


JOINT CIPR PROGRAM



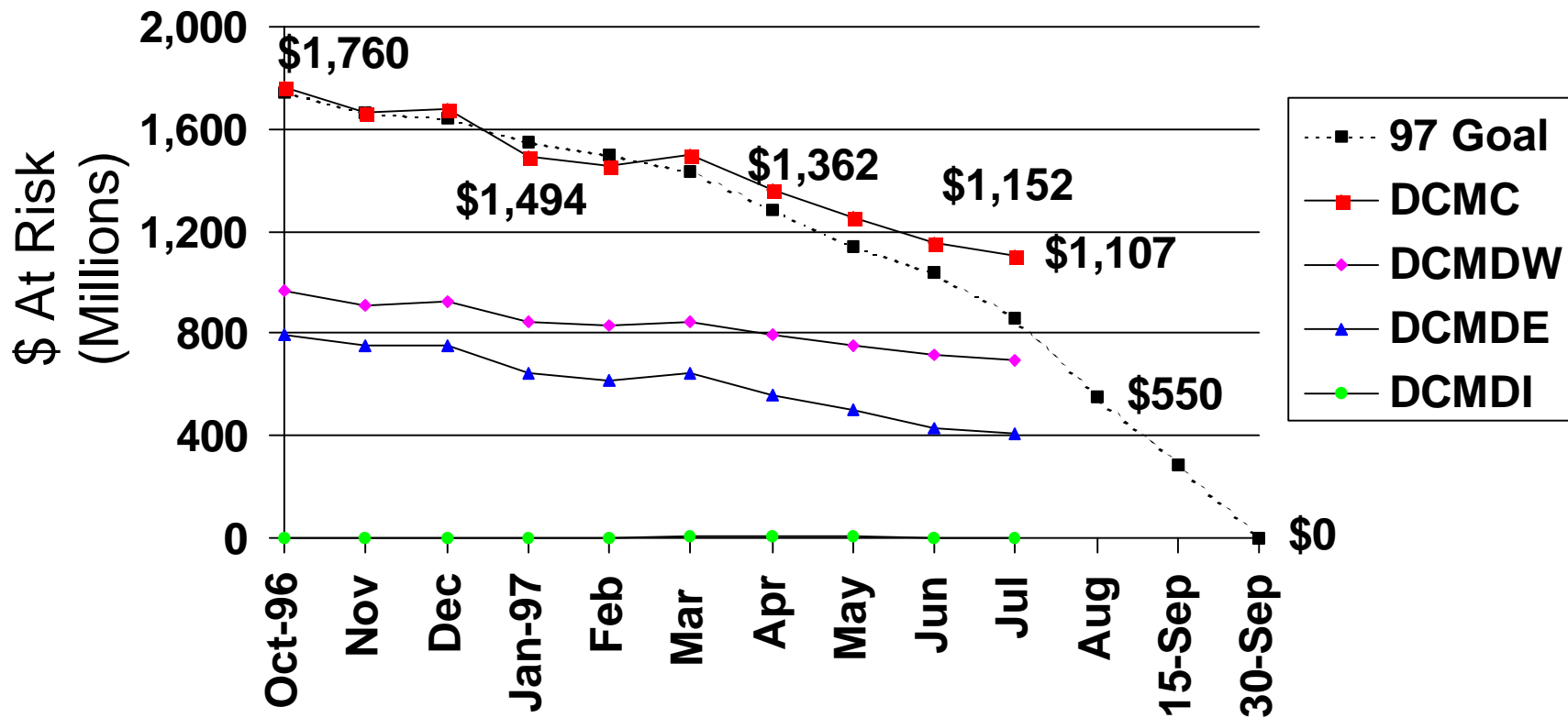
Contracts with Canceling Funds

C = Complete
 = Interim Event
 = Slippage



Contracts With FY 97 Canceling Funds - Total (Sections 1 - 4)

STATUS: RED



Contract Closeout

Contracts with Canceling Funds

- Downward Trend Continues Overall
 - July Goal was \$858M, Actuals for July - \$1,107M
 - Increase in Identified Funds to Cancel, Other Areas Decrease in Dollars Canceling
- Draft Guidebook to be Published in October
- Continuing to Pursue Better Understanding of Canceling Funds to Identify Process Improvements

Contract Closeout Contracts with Canceling Funds

- Estimating \$291.7M to Cancel on 30 Sep 97, of which:
 - \$90M due to DFAS Priorities on Adjustments/Reconciliations
 - \$25.5M PCO's will not authorize deobligation
 - \$ 6.6M in Litigation, Bankruptcy or Termination.

Contract Closeout

Eight Dead End Reasons

- Contractor will not submit invoice as requested by ACO.
- Awaiting settlement of overhead rates for past years.
- Require DFAS reconciliation or adjustment which has been requested and all ACO actions are complete.
- Funds have been disbursed through progress payments but have not been liquidated and appear to be canceling.
- Contract is in litigation (ADR have been considered if appropriate).
- PCO will not authorize deobligation of excess funds and has been elevated by the ACO.
- PCO will not authorize deobligation at this time because replacement funds are not available.
- PCO will not authorize deobligation of funds that will cancel in MOCAS but that will not require replacement funding.

UNRECONCILABLE CONTRACTS

- DFAS requested DCMC's assistance with 57 contracts
- Currently 7 Contracts Open
- Anticipated Completion Schedule
 - 3 to close by Sep 30, 97
 - 2 to close by Oct 31, 97
 - 2 to close by Dec 31, 97

UNRECONCILABLE CONTRACTS

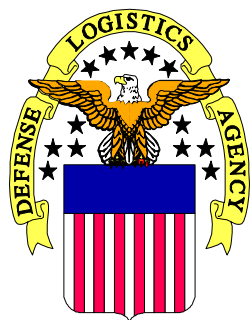
SPECIAL TOPIC

FY97 Goal: Close By APR 97

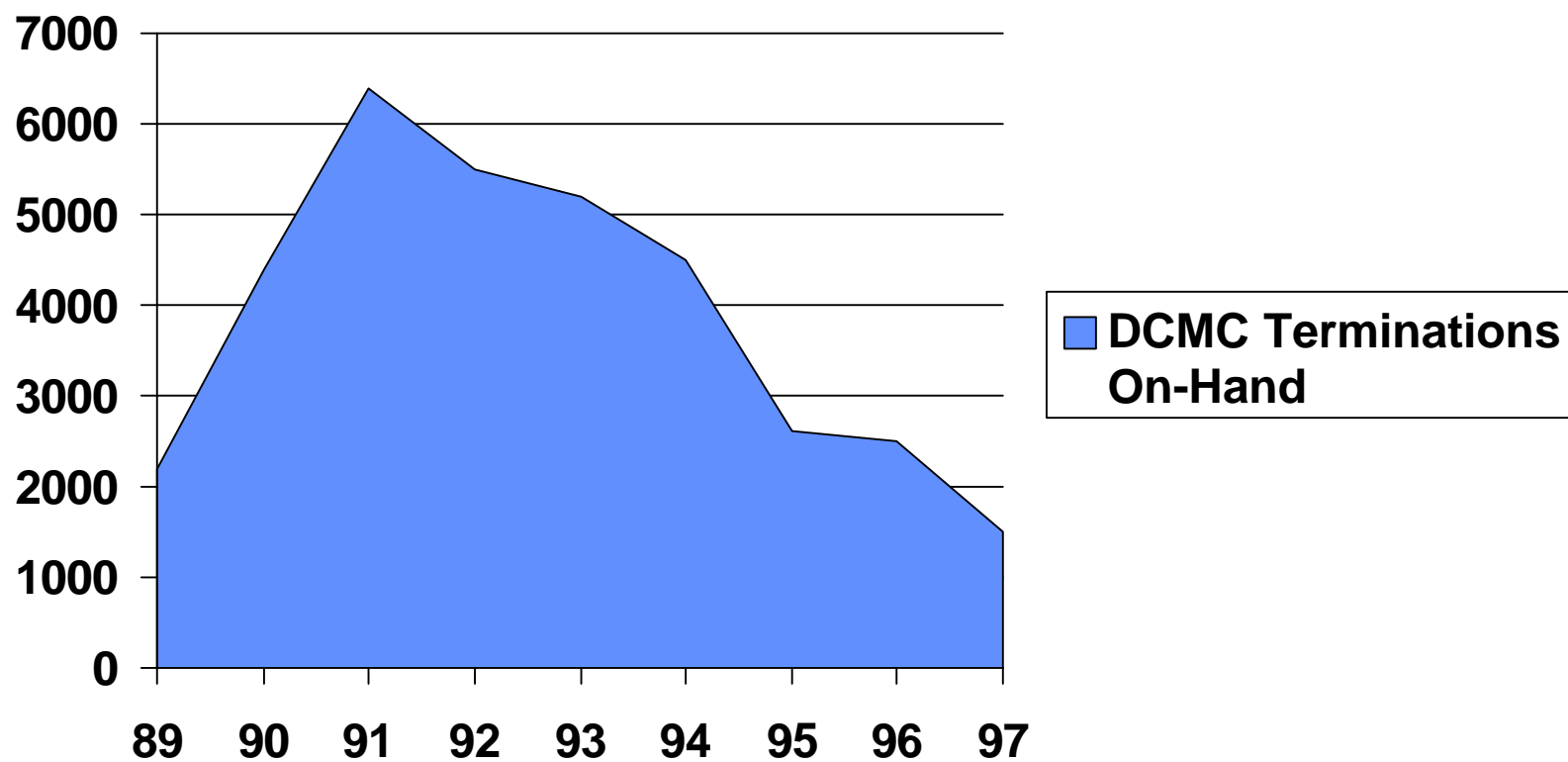
<u>ORG.</u>	<u># Contracts</u>	<u>Closed*</u>	<u>Transferred **</u>	<u>Given Back</u>	<u>Balance</u>
DCMC	57	35	1	14	7
DCMDE	26	13	1	8	4
DCMDW	31	22		6	3
DCMDI	N/A-----				

* 5 contracts were in active status and should not have been on list
(4 DCMDE, 2 DCMDW)

** DCMDE: 1 transferred to correct payment office (MICOM)

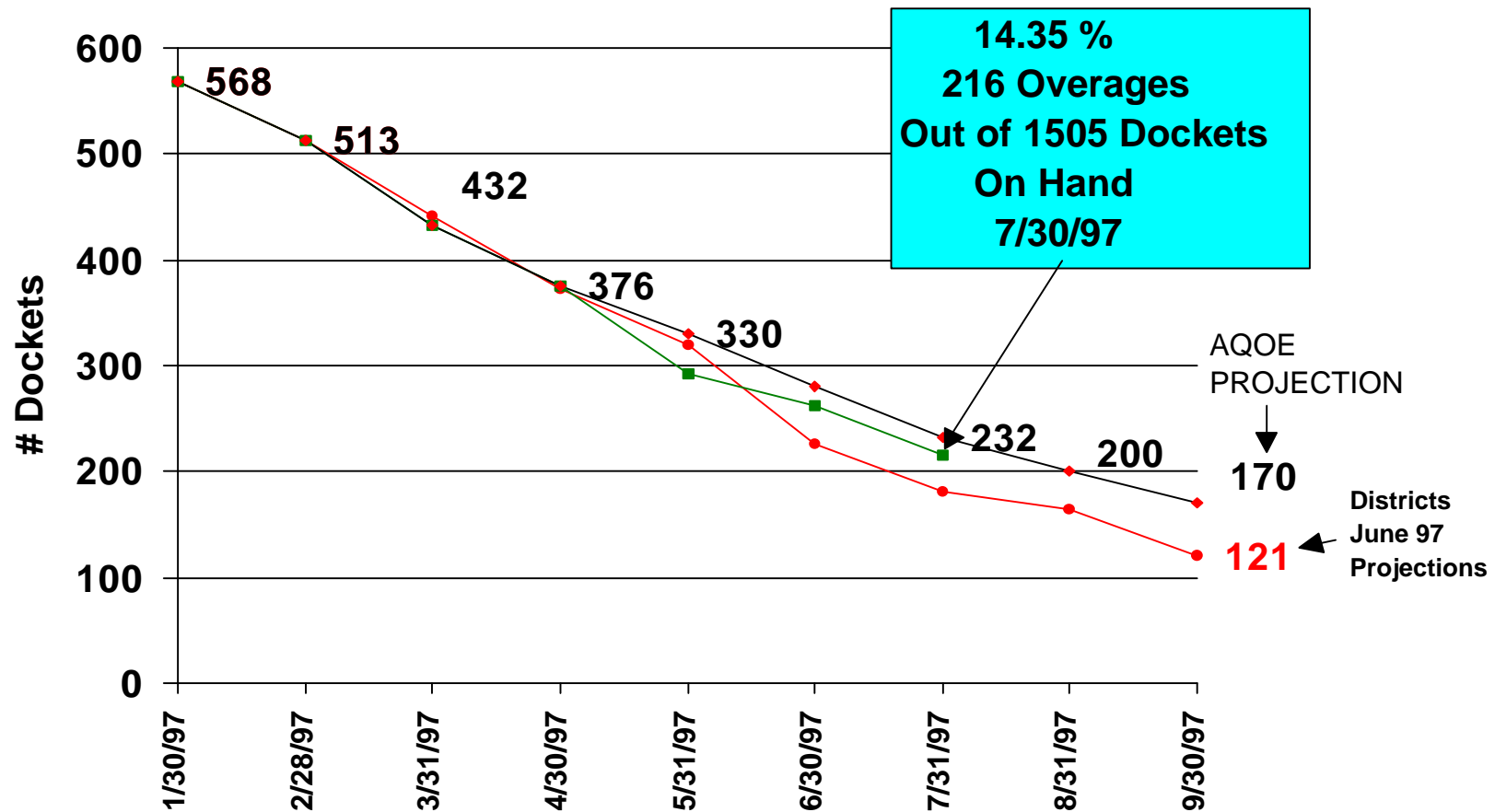


DCMC TERMINATIONS WORKLOAD FROM FY89 THROUGH FY97





Right Efficiency Termination Actions DCMC Overage Burndown Plan





Right Efficiency Termination Actions

Termination for Convenience Overage Dockets

FY97 Goal: Termination Cycle Time <730 Days

No Termination Dockets Effective Prior To 1/1/95

Cycle Time for Closed Dockets <730 Days: Green

Cycle Time for Open Dockets > 730 Days: Red

Burn Down Plan : Red

- Overage Dockets reduced 62% in 97
- 216 Overages Out Of 1505 (14%) Remain.
- Average Cycle time for Dockets Closed < 2 yrs old ~ 450 days, however open dockets over 730 days old are increasing.
 - Dockets Effective 1/95 to 8/30/95 = 81
- AQOE is requesting specifics from the field on problems with expected remaining dockets on the Burndown Plan in October.
- AQO information letter in process.

Open DCMC Contract Litigation

ASBCA Cases - 107

Federal Court Cases - 8

Total Dollars at Risk - \$ 640 Million

GC Litigation Program

- Litigation is decentralized at CAO and District - Under supervision of a Chief Trial Attorney at DCMDE and DCMDW.
- Attorneys don't litigate claims that can be settled or paid (ACO, not trial attorney, is the settlement authority for ASBCA cases).
- Resolve or settle issues prior to a claim being filed or a final decision being issued (Negotiation).

GC Litigation Program

- If unassisted negotiations fail - attempt resolution using ADR (Contractor must be willing).
- Litigation should be a last resort, but contractor is almost always the moving force in the litigation.
- Cooperate with all AQ initiatives to close contracts, reduce termination dockets, settle final overhead rates, reduce backlog of cost accounting standards cases.

What Can Be Done

- District and CAO Commanders continue their interest in cases in litigation or headed in that direction.
- Get regular briefings from your trial attorneys and ACOs/TCOs on cases in litigation. Ask the hard questions: Why are we denying or asserting that claim? Is litigation really necessary? Have we attempted ADR? Why not?

What Can Be Done

- Make sure your ACOs and TCOs are talking to the Attorneys, about settlement or use of ADR when appropriate - EARLY.

What Will GC Do To Help

- Ask Our Trial Attorneys, in Connection with the ACOs/TCOs/Commanders to Conduct a Complete Review of Cases in Litigation.
- Should we again attempt settlement or use of ADR?
- Be responsive to your requests for assistance, information on case status (tell us which cases you are most concerned with).



Right Efficiency Termination Actions

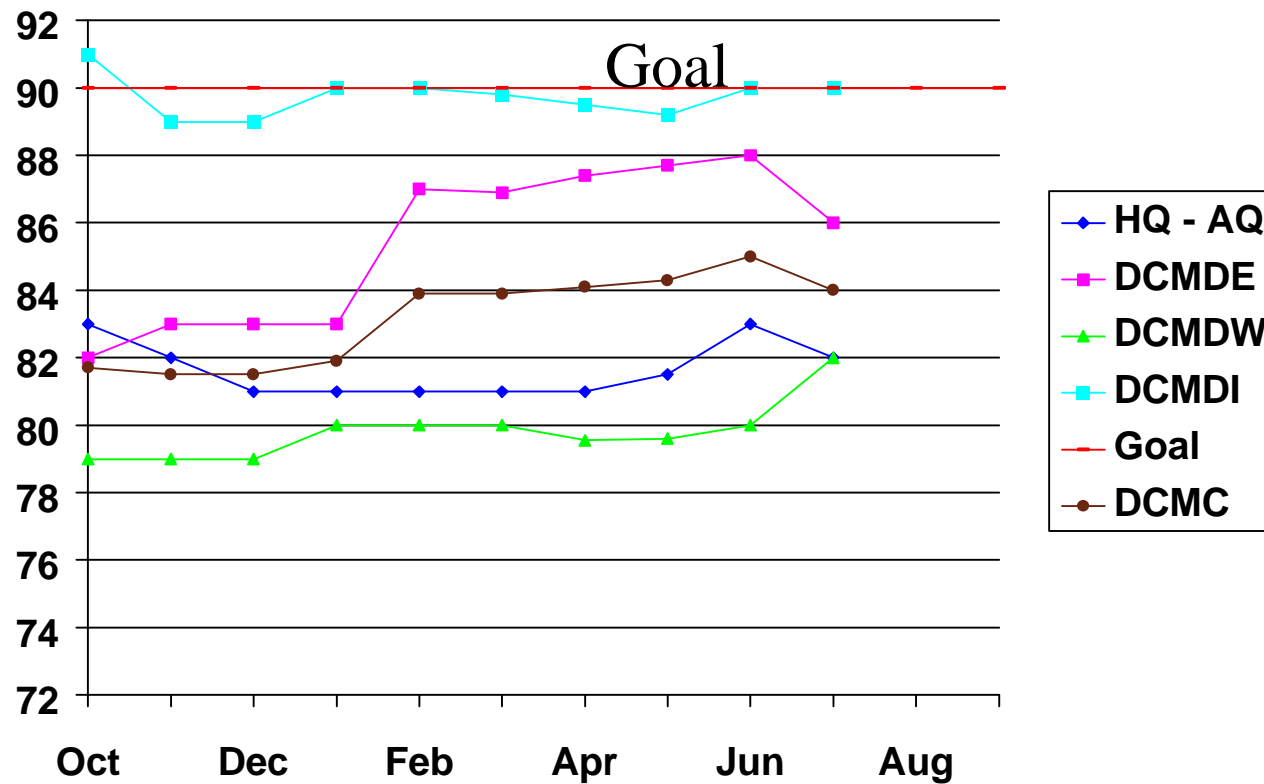
Termination for Convenience Overage Dockets

WHAT IS AQOE DOING TO HELP?

- FY97 funds are not available for settlement. Will work at Command Level to get FY98 Funds Obligated
- (\$2,,113,860 Requested for 8 Dockets)
 - Kelly & Kirkland AFBs,
 - AMSEL/Vint Hill Farm
 - Space & Missile
- Requesting specifics from TCOs to identify direction to take.
- Monthly request sent to Districts to identify where assistance is needed.
- Drivers:
 - Litigation Funding
 - Plant Clearance Contract Reconciliation
 - Protracted Negotiations

DAWIA Certification Percentage

Sep 97



	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
HQ - AQ	83	82	81	81	81	81	81	81.5	83	82		
DCMDE	82	83	83	83	87	86.9	87.4	87.7	88	86		
DCMDW	79	79	79	80	80	80	79.55	79.6	80	82		
DCMDI	91	89	89	90	90	89.8	89.5	89.2	90	90		
Goal	90	90	90	90	90	90	90	90	90	90	90	90
DCMC	81.7	81.5	81.5	81.9	83.9	83.9	84.1	84.3	85	84		



Performance Improvement

1997 Business Plan - Performance Goals	DCMC	WEST	INT'L	EAST
• (1.1.1) Continually improve process to help customers craft better contracts and make better contractor selections (EARLY CAS)	Green	NR	Green	
• (1.2.1) Increase the percentage of items (source inspected) conforming to product specifications	Green	NR	Green	Yellow
• (1.2.2) Improve by 5% over the FY 96 baseline, the number of contract line items delivered to the original delivery schedule	Green	NR	NR	
• (1.2.3) Increase overall DCMC ROI by 10% over the FY 96 baseline	Red	NR	Green	Red
• (1.3.1) Continually improve all facets of the contract close-out process such that not more than 20 percent of physically completed contracts are overage for closeout	Green	NR	Green	
• (2.1.1) Incrementally expand JLC Acquisition Pollution Prevention Initiative to additional contractor sites	Green	NR	NA	
• (2.1.2) Establish, maintain, and improve dynamic surveillance process that senses and satisfies customer needs (DELIVERY DELINQUENCIES)	Green	NR	NA	Yellow
• (2.1.3) Continue to identify/define and implement actions necessary to ensure that DCMC is positioned to remain a key player in the DoD acquisition process in the 21st century	Green	Green	NA	
• (2.1.4) Improve the effectiveness and efficiency of all our communication efforts (INTRA-DCMC COMMUNICATIONS)	TBD	NA	Green	
• (2.1.5) Continually improve/enhance organization & processes that deliver quality products/services (INTERNAL PROCESS STANDARDIZATION)	Red	NA	Green	



Performance Improvement (Con't)

1997 Business Plan - Performance Goals	DCMC	WEST	INT'L	EAST
• (2.1.6) Support info technology initiatives by deploying 90% of projects selected in the IRM plan on schedule (INFORMATION TECHNOLOGY INITIATIVES)	Rated by Task	NR	NR	
• (2.1.7) Develop/deploy small quantity of outcome-oriented performance measures which best portray performance of core processes (METRICS)	Green	NR	Green	
• (2.1.8) Package DCMC-wide data for the customer in a comprehensive, timely, and user-friendly manner (PACKAGING DCMC DATA)	TBD	NR	Green	
• (2.2.1) Use the results of Performance Based Assessment to better structure and utilize the workforce	Green	NR	Green	
• (2.3.1) Improve mission and support processes by conducting Management Control Reviews (MCRs) and annual USAs; incorporate areas for improvement into planning process	Green	Green	Green	
• (2.3.2) Assess organizational performance through the accomplishment of 30 IOAs during FY 97	Yellow	Green	NA	
• (2.3.3) Benchmark the Distributed Computing Process	Green	NA	NA	
• (2.3.4) Explore the use of Alternate Oversight approaches and other methods to enhance operational efficiency at various CAO locations	Green	Green	NA	
• (2.3.5) Refine assessment processes (REFINE ASSESSMENT PROCESSES)	Green	NA	NA	
• (3.1.1) Reduce facilities costs - bring footage ² of office space into compliance w/ DLA standard - move offices from leased space into DoD space	Green	Red	NR	
• (3.1.2) Reduce number of high grade positions (14/15/SES) by 4% DCMC-wide	Green	Green	Green	



Performance Improvement (Con't)

1997 Business Plan - Performance Goals	DCMC	WEST	INT'L	EAST
• (3.1.3) Increase civilian supervisory ratio to 13:1	Green	Green	Green	Red
• (3.1.4) Implement Unit Cost Management (UNIT COST MANAGEMENT)	Green	Green		
• (3.2.1) Develop and implement an integrated management system	Green		Green	
• (3.3.1) Improve elements of the work environment that enhance employees' well being, satisfaction, and productivity	Green	Green	Green	
• (4.1.1) Maintain overall customer satisfaction level greater than 4.0 (1-6 scale) across ACAT PMs/PCOs and Commodity Managers/PCOs	Green	Green	Green	
• (4.1.2) Field activities continue to solicit customer satisfaction information via Trailer Cards		Green	Green	
• (4.2.1) Implement risk management in the reimbursable budget process and improve forecasting, reporting, and billing procedures and processes	Green	Green	Green	
• (5.1.1) Establish, maintain, and improve a strategic workforce development system that addresses current and future skills needed to satisfy customer requirements (WORKFORCE SKILLS)		Green	Green	
• (5.2.1) Improve labor management relations within DCMC	Yellow	Green	Green	

Internal Process Standardization

Status: **Red**

- Rating basis - Did/will not complete:
 - Reengineering by 31 Jul
 - Full automation functionality by 30 Sep
- Web1Book on Home Page ready to accept chapter updates as available (first iteration end of next week)
- ORD along with priority requirements in AQAC

Packaging of DCMC Data TBD

Intra-DCMC Communications TBD

2.3.1-Conduct USAs and MCRs

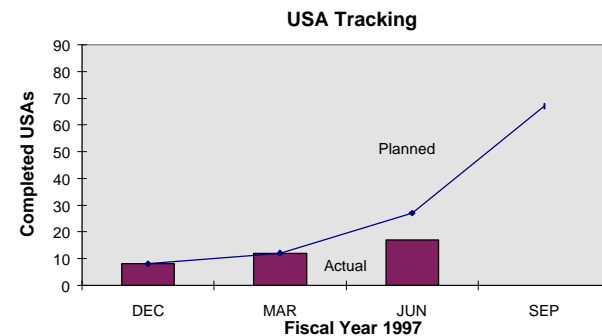
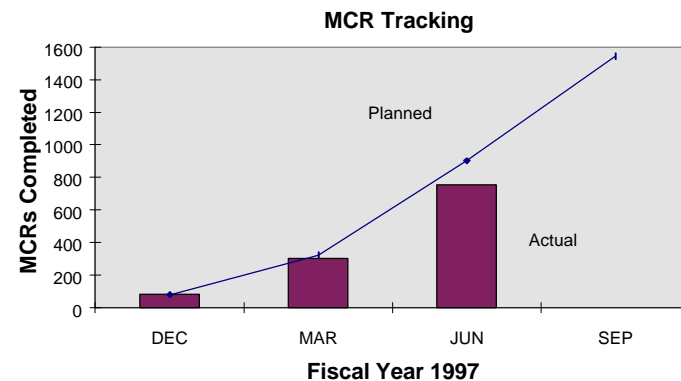
Target: Completed MCRs and USA in each CAO/HQ.

CAO ASAs to District, District ASA to HQ by 31 August, all based on USAs/MCRs, etc.

Status: Yellow:

Field slow in completing FY97 assessments.

POC: J. Glover, AQBC, 767-2414



PERFORMANCE GOAL 3.1.2 - HIGH GRADES

Status: **Green**

- DoD reallocation of high grades are on the horizon and will impact/reduce DLA/DCMC targets.
- DCMC Headquarters establishes a high grade control program for the command to meet new target.
- Headquarters and Districts review their high grades in order to manage future “new” requirements (i.e., SFA and Customer Liaisons positions).

PERFORMANCE GOAL 3.1.2 - HIGH GRADES

DCMC HIGH GRADES				
	<u>14</u>	<u>15</u>	<u>SES</u>	<u>TOTAL</u>
HQ DLA	53	21	4	78
DCMDE	184	25	0	209
DCMDW	134	23	0	157
DCMDI	38	8	0	46
OTHER	<u>21</u>	<u>5</u>	<u>0</u>	<u>26</u>
TOTAL	430	82	4	516

As of: Jun 97

GOAL

FY97 - 520

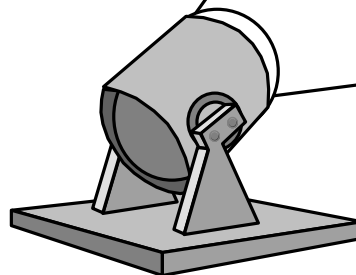
FY98 - 502

FUTURE REQ'TS

SFAs - 10

Customer Liaisons 9/10?

Source: HQ Data Base (DCMCPEOP.MDC File)



PERFORMANCE GOAL 3.1.3 - SUPERVISORY RATIO

Status: **Green**

- Districts developed a plan to reduce the number of supervisory positions in order to meet 1998 goal.
- CAOs scrubbing numbers and reviewing PDs.

PERFORMANCE GOAL 3.1.3 - SUPERVISORY RATIO

EMPLOYEES TO SUPERVISOR RATIO			
	<u># Empl</u>	<u># Supv</u>	<u>Ratio</u>
HQ DLA	131	17	7.71
DCMDE	7,014	576	12.18
DCMDW	5,496	371	14.81
DCMDI	<u>484</u>	<u>43</u>	11.26
TOTAL	13,125	1,007	13.03
As of: Jun 97			

GOAL

FY97 - 13:1
FY98 - 14:1
FY99 - 16:1

OPPORTUNITIES

- TAG Implementation
- Office Consolidations
- Military Billets

Source: HQ Data Base (DCMCPEOP.MDC File)



Performance Goal 3.1.4

Unit Cost Management

Status: Yellow

- Monitor PLAS Reporting
- Achieve and maintain a monthly PLAS usage of 95% at the HQ, International, District, and CAO levels

PLAS Usage Under 95%

(By Location)

DCMDW

West HQ (HD)	83.8%	San Diego	94.9%
West HQ (HG)	93.2%	McDonnell Douglas Hawthorne	89.1%
West HQ (HJ)	85.9%	Hughes El Segundo	91.9%

DCMDE

Detroit	88.4%	East HQ (HF)	81.7%
Grand Rapids	92.0%	East HQ (HW)	66.8%
Reading	90.1%	Garden City	94.0%
East HQ (HD)	88.6%	Raytheon	86.3%
East HQ (HO)	94.3%		

HEADQUARTERS 79.8%

PLAS Usage Under 95%

(By Location)

INTERNATIONAL

Saudi Arabia	69.6%	International HQ (HM)	77.0%
International HQ (HX)	85.7%	International HQ (HS)	93.6%
International HQ (HO)	87.4%	Southern Europe	88.3%
International HQ (HA)	29.8%	Americas	69.1%
International HQ (HC)	74.8%		
International HQ (HD)	73.0%		

Performance Goal 5.2.1 - Partnering with the Union

•STATUS: **YELLOW**

- Although the metrics data indicates that we are green, this goal is rated yellow.
- The current Organization / Structure of the Partnership Council does not support the volume of information DCMC provides to the Union.
- AQB met with Union President to address potential solutions.
- Proposed resolution:
 - Restructure DLA Council of AFGE Locals, more DCMC representation.
 - DLA / Union Officials will develop an alternative approach, to be discussed at next Partnership Council Meeting.
 - August planning meeting with HQs and District focal points

Union Issues

- **Interns - DCMC letter, August 7, 1997, the Union proposals are outside the scope of collective bargaining and non-negotiable, and announcements would open July 1st.**
- **ACO/TCO - Union letter, August 11, 1997, the Union reiterated their desire to negotiate without specifically providing their proposal. DCMC Ltr, September 8, 1997, absent specific AFGE proposal, we intend to implement September 30, 1997.**
- **Civilian Personnel Demo Project - Union letter, May 14, 1997, expressing they do not support this project.**
- **Senior Functional Advisor (SFAs) - Position descriptions modified to address Union concerns - final copies sent to AFGE.**
- **Performance Based Assessment Model - DCMC is in continuous dialogue with the Union to address Union concerns with this model.**
- **One Book - No response received from the Union, CAHS has coordinated.**

DCMC

Monthly Management Review

HQ DCMC/AQAC





Performance Goal Initiatives

- | | | |
|------------|---|---------------|
| • 2.1.6.1 | Deployment video teleconference to field commanders | N/A |
| • 2.1.6.2 | Deployment of imaging capability to DCMDE | Red |
| • 2.1.6.3 | Increase access to Internet/World Wide Web | Complete |
| • 2.1.6.4 | Update IRM Plan | Complete |
| • 2.1.6.5 | Complete deployment of TAMS | Red |
| • 2.1.6.6 | Complete Deployment of PASS | Complete |
| • 2.1.6.7 | Development/Deployment of ALERTS | Yellow |
| • 2.1.6.8 | Deployment of DADS | Complete |
| • 2.1.6.9 | Deployment of PCARSS | Red |
| • 2.1.6.10 | Support Decision Support Information System | Green |
| • 2.1.6.11 | Support SPS Dem/Val | Complete |
| • 2.1.6.12 | Deployment of EDI DD 250 | Red |



Performance Goal Initiatives

- | | | |
|------------|--|---------------|
| • 2.1.6.13 | Complete Phase 1 Deployment of ACO Mods | Red |
| • 2.1.6.14 | Complete ET of SPS/MOCAS GUI | Red |
| • 2.1.6.15 | Complete Increment 1-3 of Automated Metrics System | Yellow |
| • 2.1.6.16 | Complete Deployment of Closed Contract Database | Red |
| • 2.1.6.17 | Complete Deployment of Customs Redesign | Terminated |
| • 2.1.6.18 | Complete System Deployment of DCARRS/PLAS | Red |
| • 2.1.6.19 | Complete Prototype 2 & 3 FT of Price Work Bench | Terminated |
| • 2.1.6.20 | ID Method and Implement Process for AIS Training | Green |
| • 2.1.6.21 | Complete Deployment of CPRS | Terminated |
| • 2.1.6.22 | Complete Deployment of EDA | Yellow |
| • 2.1.6.23 | Complete ET/IOTC of OASYS | Green |

IT Initiatives



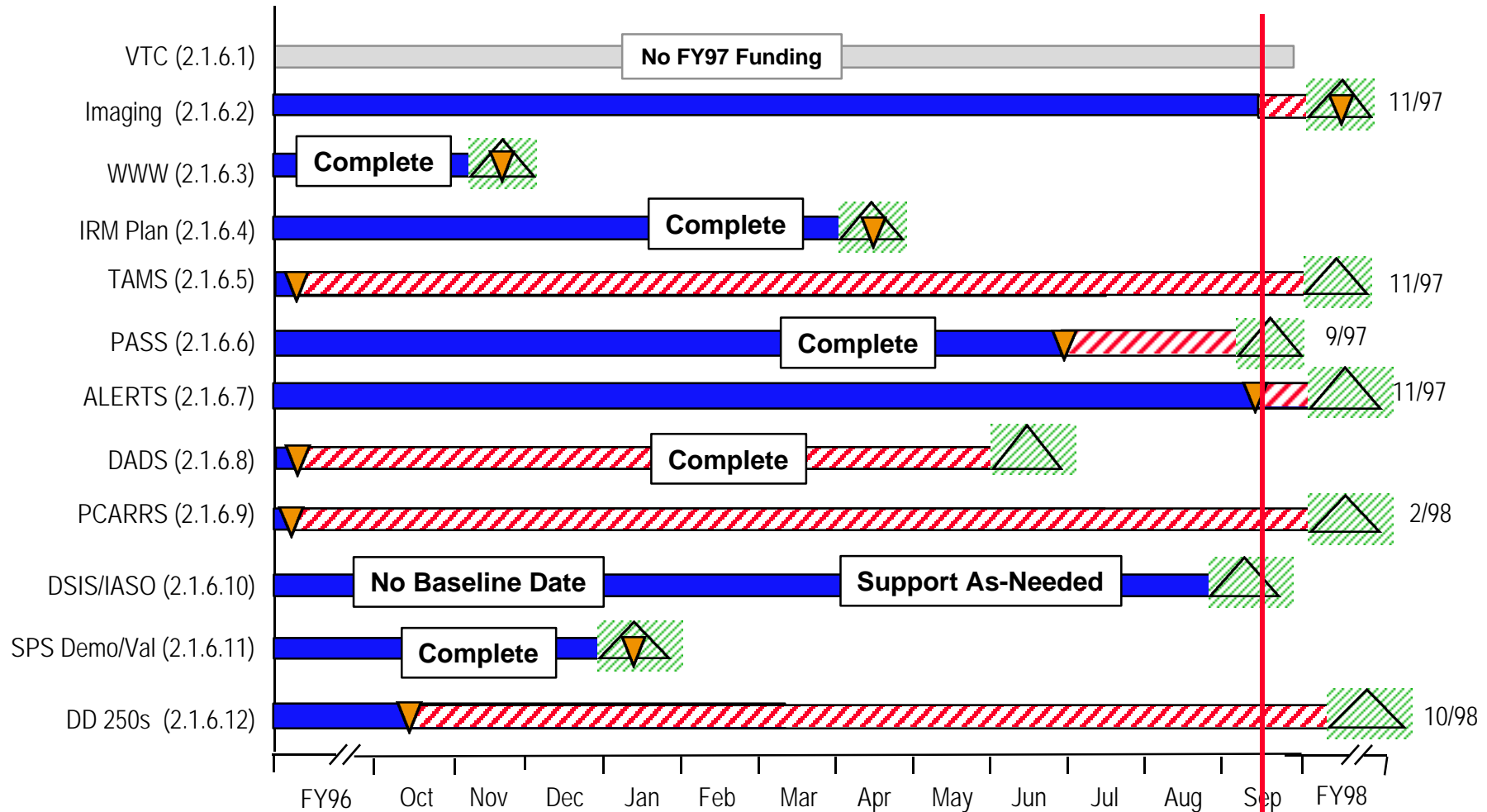
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= Slippage



= Baseline Date



Today

IT Initiatives



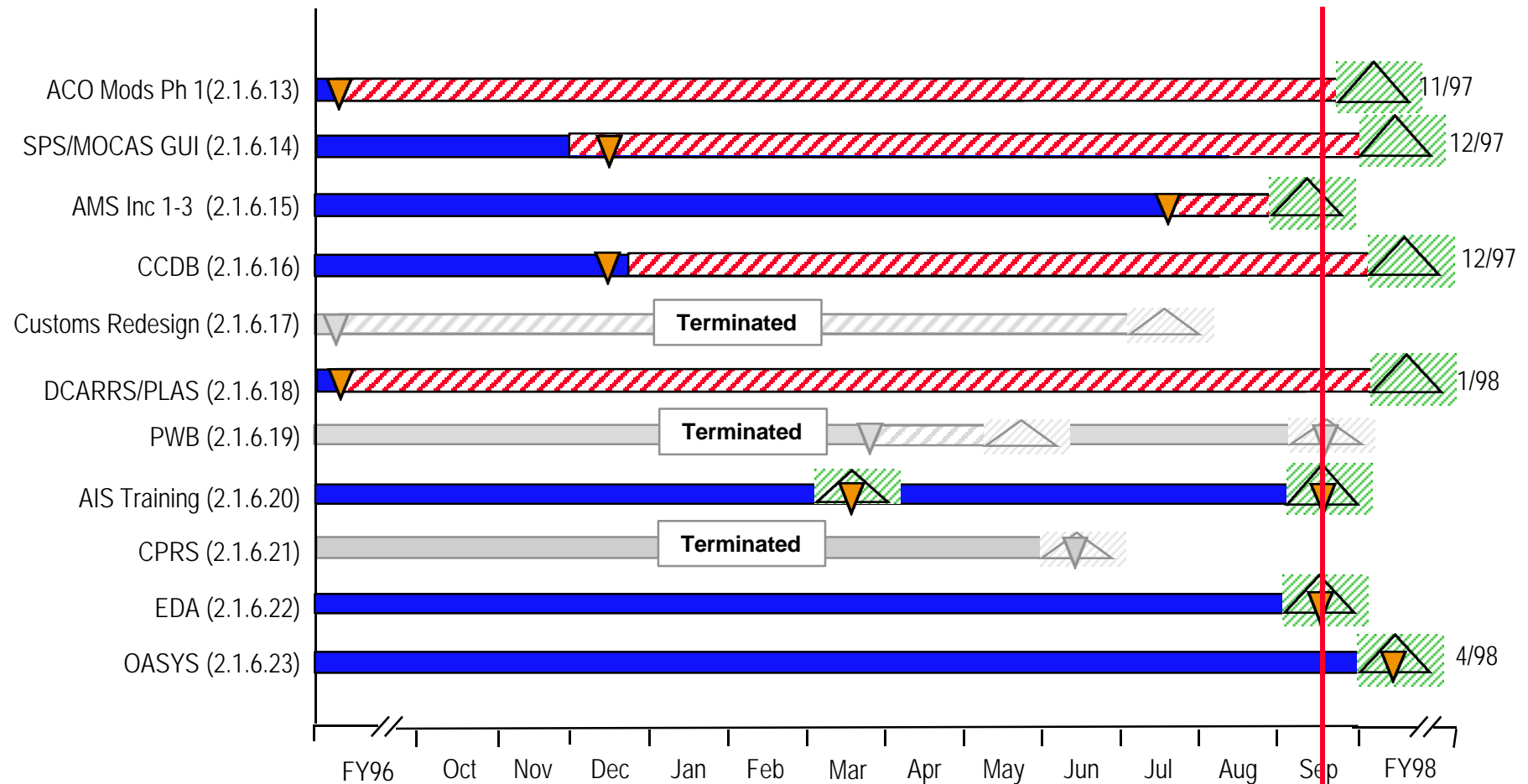
= Target Completion Date



= Slippage



= Baseline Date



Today

Imaging

RED

Goal 2.1.6.2

Customer Supported: All DCMC

FUNCTIONAL POC: Bart Hogan AQOC

AQAC POC: Herman Louie

PROJECT DESCRIPTION:

Provides DCMC the ability to merge imaging with document workflow. This will enable DCMC to reduce the amount of paper documentation & provide work process accountability.

GOAL:

Right Time

Complete System Deployment of Imaging (Contractor Filefolder) to DCMDE (only the original DCMDE sites).- 36 CAOs

STATUS REMARKS:

- Equipment agreed upon and orders being processed
- Establishing plans/prototypes with AQO to determine policy and process impacts of paperless processing
- DCMDE meeting held 10-11 Sep at LMI, Tyson's Corner to develop prototype plan
- Prototype plan due 1 Nov
- Deployment and Training plans contingent on prototype results

BENEFIT:

- Time and effort saver - Eliminates need for multiple copies when concurrent/collateral processing is required
- Provides quick access to commonly used documentation
- Eliminates possibility of lost source documents

**FY 97
FUNDS:**

\$0

**COST TO
COMPLETE
(98-03):**

\$900K

**ANNUAL
ROI:**

\$3,146K

Termination Automated Management System (TAMS)

RED

Goal 2.1.6.5

Customer Supported: AQ & All DCMC

AQOE POC: Kevin Koch

AQAC POC: Lt Col Rob Weinhold

PROJECT DESCRIPTION:

Provide an automated method of tracking the steps in the process of terminating contracts for the convenience of the government. The redesign uses client/server GUI technology.

GOAL:

Right Efficiency

Complete the deployment and requisite training of the current version of TAMS (3.5).

BENEFIT:

- Provides tracking for over 100 critical steps in the Contract Termination Process
- Allows corporate visibility of statistical information
- Implements a user-friendly system

STATUS REMARKS:

- System Test Certified, 2 May 97
- FT Certified, 13 Jun 97
- **ET in progress; ETC 15 Sep 97**
- **DCMC-wide ET; no deployment required**

**FY 97
FUNDS:**

\$485K

**COST TO
COMPLETE
(98-03):**

\$462K

**ANNUAL
ROI:**

\$909K

Alerts

YELLOW

Goal 2.1.6.7

Customer Supported: AQ, All DCMC & Buying Activities

AQOG POC: Wayne Easter

AQAC POC: Lt Col Brian Brodfuehrer

PROJECT DESCRIPTION:

Allows CAS Teams to notify each other & buying activities about schedule delays & allows the buying activity to identify critical needs.

GOAL:

Right Advice

Continue development and deployment of ALERTS (V 2.0) program and conduct DCMC-wide training (Phase 1).

BENEFIT:

- Updates and tracks critical delivery delays more precisely
- Strengthens communication between ACO & PCO
- Monitors contractor deliverables more accurately

STATUS REMARKS:

- Phase 1 ET Certified, Apr 97
- **Phase 1 DCMC Deployment, Oct 97 -- On Track**
- **Phase 2 Requirements Certification Oct 97**
- **APB update (draft) completed Aug 97**
- **APB update (final) Oct 97**

**FY 97
FUNDS:**

\$4,192K

**COST TO
COMPLETE
(98-03):**

\$5,428K

**TRAINING
COST FY 98**

\$230K

**ANNUAL
ROI:**

Mission critical
to Support
Customers

Plant Clearance Automated Reutilization Screening System (PCARSS)

RED

Goal 2.1.6.9

Customer Supported: Payment, Closeout, and Property Team (AQOE)

AQOE POC: Marge Salazar / Janice Hawk
AQAC POC: Maxine James

PROJECT DESCRIPTION:

Automates the Plant Clearance process.
Integrates PCARSS with DADS.

GOAL:

Right Efficiency

Complete deployment and requisite training.

BENEFIT:

- Eliminate paper intensive screening process for excess equipment.
- Provides maximum visibility of reusable assets.
- Reduces length of time for disposal of excess items.

STATUS REMARKS:

Revised Schedule:

- **Systems Test, 29 Sep - 17 Oct 97**
- **Functional Test, 27 Oct - 14 Nov 97**
- **Environmental Test, 12 - 30 Jan 98**
- **Deployment, 2 - 27 Feb 98**

**FY 97
FUNDS:**

**COST TO
COMPLETE
(98-03):**

**TRAINING
COST FY 98**

**ANNUAL
ROI:**

678K

\$1047K

\$55K

670K

DD250s

RED

Goal 2.1.6.12

Customer Supported: DCMC/DFAS

PROJECT DESCRIPTION:

Integrate EC/EDI into the business processes.
Implement the following Executive mandates to use EC/EDI - 1990 DMRD 941 Eliminate Paper Forms, & President Clinton's 1993 Memo to exchange Procurement Information Electronically.

STATUS REMARKS:

- Continue Contractor Compliance Testing
- **Working with McDonnell Douglas, Northrop Grumman, Lockheed Martin, Raytheon, Boeing, GE, Hughes Aircraft, PRC, Sikorsky Aircraft, Texas Instruments, and Phoenix CAO**
- **Contractors having automation and transaction generation problems**
 - Incorporating changes to automated systems (i.e., source inspection and acceptance data, cage codes)
- **First operational site scheduled for Oct 97 (Lockheed Martin)**

AQOG POC: John Childers

AQAC POC: Ron Kunihiro

GOAL:

Right Efficiency

Based upon successful functional testing of the EDI DD250 system in 1996, begin deployment in 1997.

BENEFIT:

- DMRD 941 identified DD250 as a business form to convert to an electronic format
- Implements paperless process
- Eliminates manual data entry and tracking - Improve data integrity
- Improves business practices

<u>FY 97</u>	<u>COST TO</u>	<u>TRAINING</u>	<u>ANNUAL</u>
<u>FUNDS:</u>	<u>COMPLETE</u>	<u>COST FY 98</u>	<u>ROI:</u>
	<u>(98-03):</u>		
\$100K	\$95K	\$45K	In Support of DMRD 941

ACO Modification Module Phase I (aco mods)

RED

Goal 2.1.6.13

Customer Supported: All DCMC Mod Writers & Approvers

AQOC POC: Tim Frank

AQAC POC: Gabrielle Zimmerman
James Rardon

PROJECT DESCRIPTION:

Automated tool for preparing and approving contract mods, and electronically updating MOCAS via EDI 860 Transactions.

GOAL:

Right Efficiency

Provide Source Data Automation for ACO Mod input to MOCAS along with standardized Mod preparation and format.

BENEFIT:

- Ensures accurate updates to MOCAS when contracts are modified
- Prevent future Unmatched Disbursements
- Create uniform approach and appearance for contract mods

STATUS REMARKS:

- Interim 860s for all but AMIS & WS - Sep 97
- Full 860s to MOCAS - Nov 97 (based on FER deployment by Oct 97)
- ACO Mods Phase I full deployment - Nov 97

<u>FY 97</u>	<u>COST TO</u>	<u>TRAINING</u>	<u>ANNUAL</u>
<u>FUNDS:</u>	<u>COMPLETE</u>	<u>COST FY 98</u>	<u>ROI:</u>
	<u>(98-03):</u>		
\$707K	\$0	\$83,720	N/A

SPS/MOCAS GUI

RED

Goal 2.1.6.14

Customer Supported: DCMC/DFAS

AQ POC: CAPT Ted Case

AQAC POC: Joan Donahue

PROJECT DESCRIPTION:

Modernize the SPS/MOCAS system through the application of a GUI. This provides a standard Windows environment to interface with other applications without massive reprogramming.

GOAL:

Right Efficiency

Modernize the SPS/MOCAS front end system through the application of a GUI. Complete evaluation testing.

BENEFIT:

- Substantially reduces learning curve for new users
- Creates a standard Windows working environment

STATUS REMARKS:

- GUI ET in E & W, Jul 97 (Delayed to Nov due to higher priorities) - GUI deployment contingent on Tivoli
- Tivoli implementation, Nov 97
- GUI Deployment, Dec 97

<u>FY 97</u>	<u>COST TO</u>	<u>TRAINING</u>	<u>ANNUAL</u>
<u>FUNDS:</u>	<u>COMPLETE</u>	<u>COST FY 98</u>	<u>ROI:</u>
	<u>(98-00):</u>		
500K	\$230K	\$81K	SPS EA

Automated Metric System (AMS)

YELLOW

Goal 2.1.6.15

Customer Supported: Performance Assessment
(AQBC)

AQBC POC: Joe Petrucelli
AQAC POC: Richard Lundy

PROJECT DESCRIPTION:

Provide a means for tracking the numerous products, services or process associated with the DCMC mission. The metrics tracked will allow DCMC to quickly identify and react to any changes in specified process performance in a proactive versus reactive manner.

GOAL:

Right Efficiency

Complete Increment 1-3 deployment.

BENEFIT:

- Eliminates the DCMC MIR 448 Report
- Provides managers more accurate performance measurement tracking capability
- Key factor to improving business practices
- Identifies source of weakness -- effective risk management

STATUS REMARKS:

- Increment 1-3 Deployment in progress
- Resolving deployment issues raised by West
- Deployed corrections, 9 Sep 97
- Increments 1-3 operational Sep 97

<u>FY 97</u>	<u>COST TO</u>	<u>TRAINING</u>	<u>ANNUAL</u>
<u>FUNDS:</u>	<u>COMPLETE</u>	<u>COST FY 98</u>	<u>ROI:</u>
	<u>(98-03):</u>		
\$928K	\$1,081K	\$6K	\$9,400K

Closed Contract Database (CCdB)

RED

Goal 2.1.6.16

Customer Supported: All DCMC

AQ POC: CAPT Ted Case

AQAC POC: Dan Moriarty / Ron Kunihiro

PROJECT DESCRIPTION:

Provide the capability to write closed contract data to optical disk, allowing timely retrieval of data in support of litigation and to meet the needs of research into contract history relating to major weapons systems.

GOAL:

Right Time

Complete system deployment.

BENEFIT:

- Provides significant near on-line storage and query capability of contract data
- Ensures better and faster access to closed contract files
- Maintains credible audit trail
- Enhances capability to move contracts between MOCs
- Future migration to SDW

STATUS REMARKS:

- **Systems Test, 3-19 Sep 97**
- **Start Functional Test, 22 Sep 97**
- Target ET/IOC completion, Nov 97
- Target deployment, Dec 97

<u>FY 97</u>	<u>COST TO</u>	<u>TRAINING</u>	<u>ANNUAL</u>
<u>FUNDS:</u>	<u>COMPLETE</u>	<u>COST FY 98</u>	<u>ROI:</u>
	<u>(98-00):</u>		
\$348K	\$159	\$100K	SPS EA

Defense Contract Administration Reimbursable Reporting System (DCARRS)

RED

Goal 2.1.6.18

Customer Supported: CAOs, ILO, NASA & DFAS

AQBA POC: Alyce Sullivan

AQAC POC: Joan Donahue

PROJECT DESCRIPTION:

DCARRS automates data collection for billing non-DoD customers. Phase III will redesign DCARRS into a relational database mgt system to make it more effective & efficient. Reimbursable labor hours entered into PLAS will be electronically transferred to DCARRS.

GOAL:

Right Efficiency

Complete system deployment.

BENEFIT:

- Improves accuracy in billing, forecasting, payment status
- Automates non-DoD customer billing process
- Reduces disputes in billing, mishandling of data
- Eliminates processing of multiple input documents
- Improves customer satisfaction

STATUS REMARKS:

- Baseline date reflects new contractor's planned schedule with completion in FY 98
- **ST Certified Complete, 6 Aug 97**
- **FT in progress, ECD 19 Sep 97**
- **ET, 6 Oct - 15 Jan 98 (to include qtrly cycle)**
- **Change in ET dates was at AQBA's request**

<u>FY 97</u> <u>FUNDS:</u>	<u>COST TO</u> <u>COMPLETE</u> <u>(98-03):</u>	<u>TRAINING</u> <u>COST FY 98</u>	<u>ANNUAL</u> <u>ROI:</u>
\$445K	\$703K	\$200K	\$1.2M

Electronic Document Access (EDA)

YELLOW

Goal 2.1.6.22

Customer Supported: Contract Payment and Business Practices (AQOC)

AQOC POC: Bart Hogan

AQAC POC: Herman Louie

PROJECT DESCRIPTION:

Provides on-line (Internet) access to contracts & contract modifications displayed in human recognizable format (SF & DD forms).

GOAL:

Right Reception

Complete system deployment to select DCMC sites.

BENEFIT:

- Will provide contractor information to DFAS and the Services via the World Wide Web (WWW)
- Offer vital procurement information to more individuals throughout the globe

STATUS REMARKS:

- Equipment agreed upon and orders processed
- Targeting FY98 Infrastructure to support EDA and paperless contracting
- Establishing plans/prototype with AQO to determine impacts of paperless processing
- Will complete EDA generation of Mods by 30 Sep 97

<u>FY 97</u>	<u>COST TO</u>	<u>TRAINING</u>	<u>ANNUAL</u>
<u>FUNDS:</u>	<u>COMPLETE</u>	<u>COST FY 98</u>	<u>ROI:</u>
	<u>(98-03):</u>		

\$28K

Cost and ROI Included with Imaging

ACTION ITEMS

AQ

MONTHLY MANAGEMENT REVIEW

ACTION ITEMS AQ MONTHLY MANAGEMENT REVIEW (MMR)

September 15, 1997

1. **OPEN.** SOFTWARE METRICS - Do further analysis of software workload vs. personnel assigned. Determine whether people are assigned where the workload is located. Provide information to AQO Deputy Executive Director. (AQOF - Jul 97) (SUSPENSE: Aug 15)

Sep 11: All SPECS reported workload, by source line code (SLOC), is being reviewed and classified by program phase. SLOC workload will be partitioned into two categories - Requirements/Design and Code/Test. The goal is to collect and analyze data on the specific types of workload activities in which DCMC personnel are engaged. Initial reporting will be presented at the Oct MMR. (EDC: Oct 9, 97)

COMMANDERS ASSESSMENT

AQ

MONTHLY MANAGEMENT REVIEW